

2014  
Architect of the Capitol

# Performance and Accountability Report

SERVE ♦ PRESERVE ♦ INSPIRE









# Fiscal Year 2014 Citizen's Report

## A Fiscal Year 2014 Performance and Financial Summary Report to Congress and the Citizens of the United States



### Who We Are

### Architect of the Capitol

**What We Do:** The Architect of the Capitol (AOC) is a nonpartisan, professional services office with responsibility for over 17.4 million square feet of facilities and more than 587 acres of grounds. AOC is responsible for the maintenance, renovation and new construction of the buildings and grounds on Capitol Hill.

**Established:** In 1876 by congressional legislation

**Branch of Government:** Legislative

**Mission:** Serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences for our visitors

**Leadership:** The Honorable Stephen T. Ayers, FAIA, LEED AP, Architect of the Capitol

**Number of Full-Time Equivalents:** 2,085 as of September 30, 2014

**FY 2014 Budget Authority:** \$602.0 million\*

\*Note: Reflects Legislative Branch appropriations only. Excludes the Supreme Court Building and Grounds jurisdiction.



### Did you know?

- The U.S. Capitol Dome, symbol of American democracy, is plagued by over 1,600 cracks and has deteriorated due to age and weather. In January 2014, AOC began a multi-year restoration project to repair these deficiencies.
- AOC has the unique role of preserving and restoring the Capitol's architectural and fine art heritage assets. In FY 2014, AOC's curatorial highlights included the continuation of several mural conservation projects and completion of bronze preservation work.
- AOC has received permits to construct a natural gas Cogeneration Plant, allowing the Capitol Power Plant to use natural gas 100 percent of the time.
- The century-old Cannon House Office Building has never undergone a comprehensive modernization and faces serious safety, health, environmental and operational issues. In FY 2014, AOC began site preparation for a 10-year, over \$752 million building renewal project.
- AOC's General Administration appropriation centrally funds common services supporting AOC's engineering, safety, energy, construction, preservation and business needs. This allows AOC to establish economies of scale that increase efficiency and reduce costs.
- AOC continued to achieve significant efficiencies through cost savings initiatives. Key savings were made possible through contract renegotiation, overtime management, technology expansion, energy and water reduction measures and the use of fewer contractors.
- Conditions have deteriorated at the historic Olmsted Terrace spanning three sides of the U.S. Capitol. In FY 2014, AOC started a phased, multi-year project to repair, clean and preserve the Terrace's marble walls.
- The Capitol Visitor Center supports hundreds of congressionally-sponsored special events annually. In FY 2014, special events included statue unveilings, awards ceremonies, concerts and the President's State of the Union Address.
- AOC has increasingly relied on shared services to reduce agency costs and achieve operational efficiencies. In FY 2014, AOC began the phased migration of AOC's Human Resources Information System.
- In December 2013, the CBS news program *60 Minutes* aired the feature "The Capitol Dome" to coincide with the 150th anniversary of the Dome's completion.

Serve | Preserve | Inspire

## Fiscal Year 2014 Performance Highlights

### One Team, One Mission

- Collaboration across the organization resulted in continued cost savings through contract renegotiation, technology expansion, and energy and water reduction.
- AOC held quarterly risk summits and began developing an enterprise risk management plan to identify, analyze, evaluate, treat and monitor agency risks.



**TABLE 1: AOC Strategic Goals**

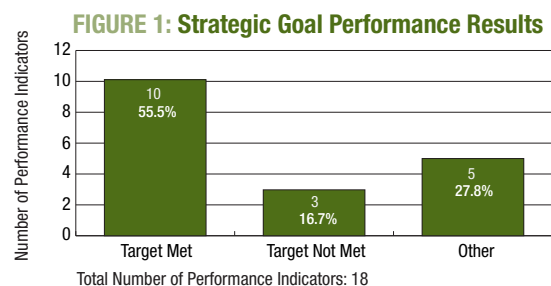
Goal 1	One Team, One Mission
Goal 2	Innovative and Empowered Workforce
Goal 3	Awe-Inspiring Facilities
Goal 4	Extraordinary Services

### Innovative and Empowered Workforce

- Two major initiatives were launched to enhance the professional and personal growth of AOC supervisors and employees: “Building Leaders” and “New Year, New You.”
- AOC developed the Career Coach Concept—an initiative devoted to helping employees broaden their skill set and stay challenged.
- AOC provided upward mobility to employees using the Architect’s Mobility Program (AMP) and capitalized on the sharing of professional knowledge with the Exchange of Critical Expertise and Learning (ExCEL) Program.

**TABLE 2: Summary of Select Performance Indicators**

Key Performance Indicator	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2014 Results
<b>STRATEGIC GOAL 1: One Team, One Mission</b>					
<b>Reduction in Usage of Overtime:</b> Reduce overtime hours used to fulfill the mission through improved planning and scheduling.	<139,518* hours	121,428* hours	<121,428 hours	128,179 hours	Target Not Met
<b>STRATEGIC GOAL 2: Innovative and Empowered Workforce</b>					
<b>Volume of Honor Awards:</b> Recognize employees who have gone above and beyond the call of duty and who have demonstrated service excellence, extraordinary teamwork or ingenuity in solving challenges.	No Target Established	601	No Target Established	422	Other
<b>STRATEGIC GOAL 3: Awe-Inspiring Facilities</b>					
<b>Preventive Maintenance Work Order Timeliness:</b> Complete routine facility maintenance work on schedule.	≥90.0%	90.0%	≥90.0%	82.9%	Target Not Met
<b>Injuries and Illnesses Rate:</b> Targeted to be less than the previous year’s rate.	<3.85%*	3.28%	<3.28%	2.95%	 Target Met
<b>Reduction in Energy Consumption:</b> Decrease energy consumption through effective utility usage.	≤-24.0%	-26.0%*	≤-27.0%	-25.5%	Target Not Met
<b>STRATEGIC GOAL 4: Extraordinary Services</b>					
<b>Service Request Work Orders Timeliness:</b> Complete service request work orders on time.	≥90.0%	89.7%	≥90.0%	92.9%	 Target Met
<b>Note:</b> Figures adjusted from prior year reported amounts are marked with an asterisk (*).					



### Awe-Inspiring Facilities

- AOC completed major construction projects including the Supreme Court West Facade Restoration, West Refrigeration Plant Revitalization Phase I, and the Thomas P. O'Neill, Jr. Federal Building (with the General Services Administration).
- Work continued on AOC's major restoration projects that include the multi-year Capitol Dome Restoration Project and the century-old Cannon House Office Building.

### Extraordinary Services

- AOC began planning for a seamless 114th Congressional transition resulting from the November 2014 elections.
- AOC welcomed over 2.0 million visitors to the Capitol Visitor Center and the U.S. Botanic Garden welcomed nearly 1.2 million visitors in FY 2014.
- AOC developed and implemented a new, two-day orientation program to improve the employee onboarding experience.



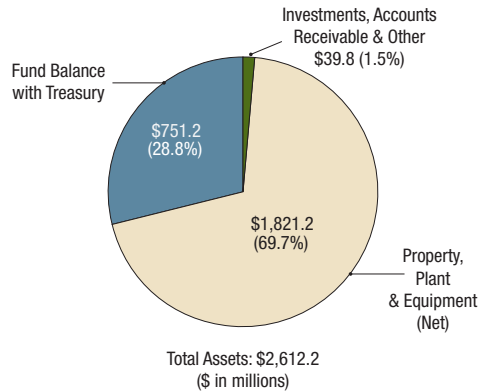
## Fiscal Year 2014 Financial Highlights

An independent audit of the AOC's financial statements resulted in an unmodified (clean) audit opinion in FY 2014.

**TABLE 3: Select Financial Data (\$ in millions)**

	FY 2014	FY 2013	Percent Change
Total Assets	\$2,612.2	\$2,501.8	4%
Total Liabilities	\$351.9	\$347.0	1%
Total Net Position	\$2,260.3	\$2,154.7	5%
Total Revenues	\$47.6	\$52.8	(10%)
Total Net Cost of Operations	\$531.8	\$545.5	(2%)
Total Enacted Appropriations	\$602.0	\$534.3	13%
Facility Space Managed	over 17.4 million sq. ft.	17.4 million sq. ft.	Increased
Actual FTEs at Fiscal Year-End	2,085	2,100	(1%)

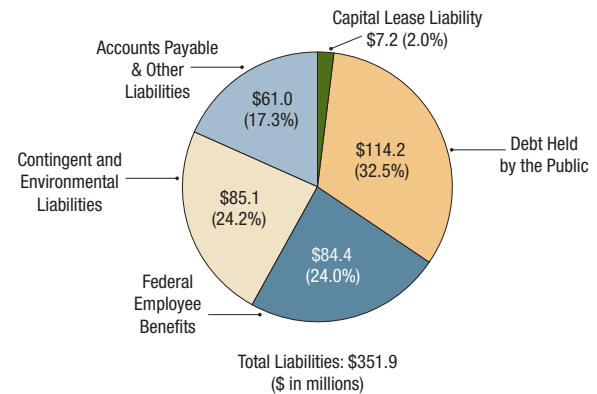
**FIGURE 2: Summary of Total Assets**



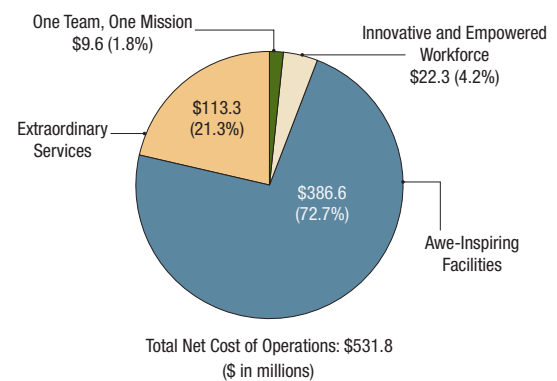
**TABLE 4: Independent Auditors' Internal Control Findings**

Category	Audit Findings	
	FY 2014	FY 2013
Material Weaknesses	None	None
Significant Deficiencies	Three	None

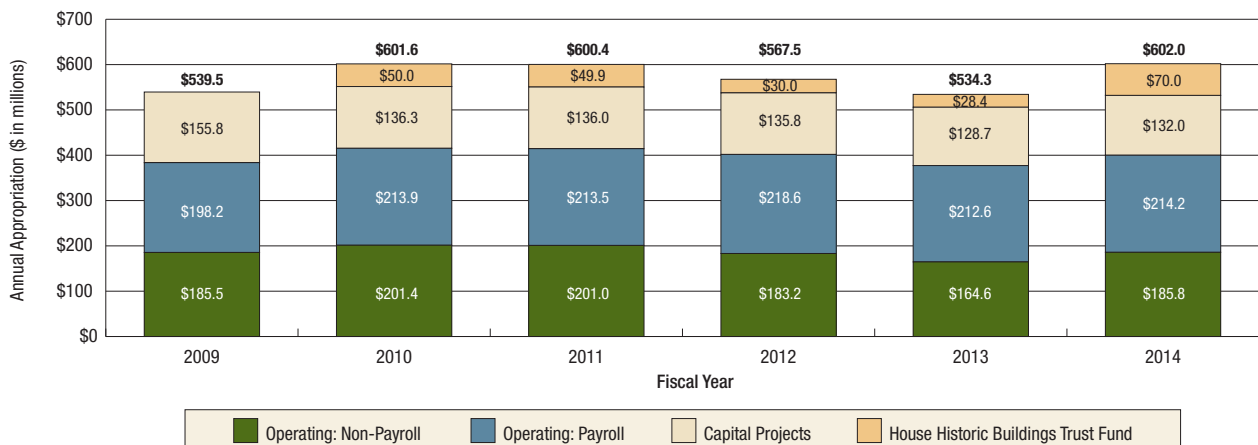
**FIGURE 3: Summary of Total Liabilities**



**FIGURE 4: Net Cost of Operations by Strategic Goal**



**FIGURE 5: Trend in Total Appropriation**



Note: Excludes Supreme Court Building and Grounds (included in the Judiciary Branch appropriation).





Cracked and missing stone on the U.S. Capitol illustrates AOC's challenge to proactively address its significant backlog of deferred maintenance and capital renewal needs across Capitol Hill.

## What's Next? Future Challenges and Priorities

- **Stress on Budgetary Resources.** In a constrained budgetary environment, the cost of complying with requirements related to energy, safety and security, coupled with a large deferred maintenance backlog and the growing cost of day-to-day operations, puts increased stress on the agency's limited resources. The AOC strives to prioritize its projects and continuously become more efficient to meet this challenge.
- **Deferred Maintenance and Capital Renewal Backlog.** The AOC strives to proactively address the significant deferred maintenance and capital renewal needs across Capitol Hill to ensure the historic fabric of the Congressional buildings and grounds is preserved before the damage becomes too great. In FY 2014, AOC's total deferred maintenance and capital renewal backlog is estimated at \$1.3 billion (the same as last year's amount).
- **Energy Stewardship and Sustainability.** The AOC is required to meet annual reductions in energy consumption. AOC did not meet the FY 2014 energy reduction target of 27 percent. Meeting future targets will be difficult since projects that yielded quick financial paybacks are already in place.
- **Physical Security of Facilities.** The AOC is responsible for supporting the U.S. Capitol Police and providing other security functions around Capitol Hill. The AOC must continue to focus on meeting strict security requirements, while also ensuring that safety, historic preservation and accessibility needs are met.
- **Workplace Safety and Health.** The AOC is responsible for ensuring that safety and health standards are met for those who work at or visit the U.S. Capitol. At the same time, AOC must balance operational needs, applicable regulations and challenging working conditions that are unique to Capitol Hill. The agency establishes this culture by placing people first and practicing safety always.
- **Management of Concurrent Projects.** The AOC is undertaking many needed major construction and restoration projects concurrently. To be successful, AOC must focus on each long-term project to ensure they remain on-time and under-budget, while also ensuring that this additional workload does not impact the agency's people and day-to-day customers.

The AOC Inspector General identified additional challenges facing the organization. These include: enhancing internal controls, improving human capital management, and property accountability and surplus property disposal.

This *AOC Citizen's Report* provides a brief summary of AOC's FY 2014 performance and fiscal results contained in the *Performance and Accountability Report (PAR)*. The full AOC PAR is available at [www.aoc.gov/performance-accountability-report](http://www.aoc.gov/performance-accountability-report) or by scanning the QR code below.

**For more information about the Architect of the Capitol, visit our website at:**  
[www.aoc.gov](http://www.aoc.gov)

This report is issued with data as of December 3, 2014.





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## Message from the Architect of the Capitol



The Honorable Stephen T. Ayers, FAIA, LEED AP  
Architect of the Capitol

I am pleased to present the Fiscal Year (FY) 2014 *Performance and Accountability Report* (PAR) for the Architect of the Capitol (AOC). The AOC is responsible for the maintenance, operation and preservation of the nation's most iconic landmark buildings and grounds that comprise Capitol Hill. By serving in this important stewardship role, AOC and its more than 2,000 employees continue to carry out our mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable visitor experiences.

To meet our fiscal stewardship responsibilities, AOC dedicates itself to meeting high standards of government reporting and accountability. This *Performance and Accountability Report* provides a comprehensive accounting for the public funds entrusted to AOC and our program and financial results. In addition to highlighting our operational successes and project achievements, this report identifies the challenges we face in an era of constrained budgets. We are proud that our FY 2013 PAR was recognized for outstanding performance and accountability reporting with the Association of Government Accountants' *Certificate of Excellence in Accountability Reporting*—the third consecutive year AOC has received this prestigious award.

### Key Accomplishments

In FY 2014, AOC achieved mission success despite a challenging fiscal environment that affected agencies across the Federal government. We focused on high-priority, mission-critical projects addressing Capitol Hill's preservation and restoration, upholding our mission responsibilities despite the October 2013 government shutdown and sequestration.

We focused our resources on our highest priorities using a Project Prioritization Process, along with the Capital Improvements Plan and draft Capitol Complex Master Plan to manage necessary capital improvement projects and maintenance.

The exterior phase of the U.S. Capitol Dome Restoration Project began—a multi-year investment to repair more than 1,600 cracks and other deficiencies in the cast-iron Dome. In addition, we also began preparations for the top-to-bottom, phased renewal of the century-old Cannon House Office Building.

Stone preservation continues to emerge as one of our biggest priorities. The conditions of the exterior stone on most, if not all, of the buildings on Capitol Hill are rapidly deteriorating. To prevent further deterioration, stonework projects begun in FY 2014 included the first phases of the U.S. Capitol's marble Olmsted Terrace walls, the Russell Senate Office Building's east facade and many others. This



investment will pay long-term dividends and preserve these historic buildings for decades to come.

Despite missing our energy target this year, sustainable practices are transforming our work in large and small ways by allowing us to reduce energy consumption and conserve natural resources. We improved our chilled water production efficiency with the installation of new chillers and an expanded free cooling system as part of the Refrigeration Plant Revitalization program. AOC's collective efforts were recognized by the Association of Energy Engineers with its Regional Energy Award for *Accomplishments on Developing, Organizing, Managing and Implementing an Outstanding Corporate Energy Management Program*.

We also addressed our curatorial mission with multiple projects including significant progress on the restoration of walls and ceilings throughout the Capitol's Brumidi Corridors. On the Capitol Grounds, two historic bronze fountain basins and six large lanterns designed under Frederick Law Olmsted were thoroughly restored and modernized. AOC also welcomed the newest statue to the National Statuary Hall Collection, Iowa's Norman Borlaug, celebrating his life's work and impact on global hunger.

Throughout the year, we made great strides working smarter and leaner by undertaking a number of cost savings measures. We developed a marketing assessment, purchasing strategy and acquisition plan for natural gas at the Capitol Power Plant and that work is expected to yield significant cost savings. Other efforts to work lean include continued overtime management, consolidated network servers and renegotiated contract leases and finance rates.

In addition, AOC continued to look for prudent shared services opportunities. For example, in FY 2014 AOC implemented the initial phase of its migration to a new Human Resources Information System and continued to plan for the hosting of its financial systems by the Library of Congress.

### Management Opportunities and Challenges

Despite these successes, AOC still sees challenges and opportunities for improvement. Foremost among these is the \$1.3 billion backlog of deferred maintenance, capital renewal, security, life-safety, accessibility and environmental projects. Budget constraints necessitated difficult programmatic decisions and careful prioritization. While the reassignment of capital renewal work to future years has reduced the immediate funding strain, it creates a trade-off of greater risk of building and system failure and, most likely, higher future replacement costs.

Providing first-class service to our customers and executing numerous large-scale and highly visible multi-year construction projects is a formidable challenge given resource constraints and funding demands. We are addressing this challenge by developing effective strategies that manage risk and through transparent communications with Congress and the American public.

The AOC Inspector General identified management opportunities and performance challenges which present opportunities for organizational improvement. We are aware of these issues and are committed to addressing them as efficiently as possible. In FY 2014, we worked hard to address the challenges identified by the Inspector General in previous years. As a result, the Inspector General eliminated the policy enforcement challenge and a portion of the procurement challenge.

### Conclusion

This fiscal year, AOC received an unmodified (clean) audit opinion on its FY 2014 financial statements—our 10th consecutive year with a clean opinion. In addition, for the second consecutive year, no material weaknesses were noted by our independent auditors. Although three significant deficiencies were identified, management has begun strengthening its processes and controls to address these audit issues. We are proud of these achievements and remain vigilant about sustaining our progress and addressing the audit findings. Work on documenting and testing of our Internal Control Program continues and we are focusing on ways to offset the risks to the organization. This report exemplifies the transparency and accountability that is at the core of AOC's mission and I provide my assurance that the financial and performance data presented herein are complete, reliable and accurate.

I am proud of this report and the accomplishments AOC's staff has made. Our employees are our greatest resource and each employee's contribution is vital to our success. We appreciate the support of Congress and the American people as, together, we make the investments necessary to preserve and maintain our national treasures.

Sincerely,



Stephen T. Ayers, FAIA, LEED AP  
Architect of the Capitol  
December 3, 2014





## Performance and Accountability Report

# About this Report



The Architect of the Capitol's (AOC) *Performance and Accountability Report* (PAR) reports on programmatic and financial performance data for Fiscal Year (FY) 2014. AOC uses the PAR to promote transparency and accountability over the federal funds it receives and to demonstrate its responsibility for the public property in its care. The PAR also shows AOC's steadfast dedication to accomplishing its mission to serve Congress and the Supreme Court, preserve America's Capitol, and inspire memorable visitor experiences. AOC is proud to highlight employees throughout the report whose on-the-job performance led to another successful year of operations. In addition, a series of "In Focus" sidebars, with AOC website hyperlinks, are interspersed throughout the report to spotlight various project and program accomplishments.

As a Legislative Branch Office, AOC is not required to comply with Executive Branch financial reporting regulations. However, AOC refers to Executive Branch legislation to develop financial management best practices. Such legislation includes:

- Federal Managers' Financial Integrity Act of 1982
- Chief Financial Officers Act of 1990
- Government Performance and Results Act of 1993
- Government Management Reform Act of 1994





As part of AOC's project to restore the U.S. Capitol Dome, scaffolding was put into place to support the protective canopy that will be used within the Rotunda during the restoration.

- Federal Financial Management Improvement Act of 1996
- Reports Consolidation Act of 2000
- Accountability of Tax Dollars Act of 2002
- Improper Payments Information Act of 2002
- GPRA Modernization Act of 2010

This report and each of the agency's prior year Performance and Accountability Reports are available electronically on the AOC website at

**[www.aoc.gov/performance-accountability-report](http://www.aoc.gov/performance-accountability-report).**

## About the Cover

In April 2014, the AOC installed a canopy system in the interior of the U.S. Capitol Rotunda to protect the visiting public and art from debris during the multi-year U.S. Capitol Dome Restoration Project. This

is a view of the white canopy looking up into the Dome's ceiling, 180 feet above the floor. The canopy's configuration allows most of the fresco, "The Apotheosis of Washington," to be visible throughout the restoration process. A statue of Thomas Jefferson, Third President of the United States, appears in the foreground. The project will address more than 1,600 cracks and deficiencies that face the 150 year-old Dome and symbol of American democracy. Photographs documenting the Dome Restoration Project may be found at:

**[www.flickr.com/photos/uscapitol](http://www.flickr.com/photos/uscapitol).**



## Certificate of Excellence in Accountability Reporting

In May 2014, AOC received the Association of Government Accountants' (AGA) *Certificate of Excellence in Accountability Reporting* (CEAR) for its FY 2013 *Performance and Accountability Report*. This represents the third consecutive year the agency has won the CEAR award. The CEAR Program was established by the AGA, in conjunction with the Chief Financial Officers Council and the U.S. Office of Management and Budget, to improve financial and program accountability. The Certificate of Excellence recognizes outstanding accountability reporting and represents the highest form of recognition in Federal government reporting.





## Introduction

# How this Report is Organized



## How this Report is Organized

The FY 2014 PAR provides AOC's financial and performance information for the period beginning on October 1, 2013, and ending on September 30, 2014. The report exemplifies AOC's commitment to its mission and accountability to Congress and the American people. It provides candid insight into AOC's operations and accomplishments for the fiscal year and the challenges the organization faces. By way of introduction, the PAR includes a Citizen's Report and a Message from the Architect of the Capitol, Stephen T. Ayers, FAIA, LEED AP. The remainder of the report is divided into four main sections and seven appendices.

### Section I: Management's Discussion and Analysis

Section I provides an overview of AOC's FY 2014 performance and financial information. It includes a summary of AOC's history, mission, vision, organizational structure and strategic framework. This section also provides examples of AOC's accomplishments for the fiscal year and performance highlights. In addition, Section I includes management's assessment of future challenges, management's assurances on AOC's internal controls and other compliances (including a financial management system summary), and AOC's financial highlights.





OPPOSITE TOP LEFT, OPPOSITE BOTTOM LEFT, and TOP: During FY 2014, AOC began assembling the elements of scaffolding that will reach, and eventually cover, the entire U.S. Capitol Dome. As certain portions of the scaffold assembly are completed, the restoration work on the Dome will begin in the enclosed areas.

## Section II: Performance Information

Section II provides a detailed analysis of AOC's annual performance information as detailed in Office of Management and Budget (OMB) Circular A-11. The section identifies AOC's approach to performance management and assessment, as well as how AOC assures the validity of data. Section II also provides information on AOC's Strategic Vision and the performance indicators used to evaluate the results achieved under the strategic goals and strategic objectives.

## Section III: Financial Information

Section III begins with a Message from AOC's Chief Financial Officer. This section provides AOC's audited financial statements (and accompanying footnotes) and the independent auditors' reports. The Required Supplementary Information shows information on AOC's heritage assets and deferred maintenance.

## Section IV: Other Information

Section IV presents a Schedule of Spending, the AOC Inspector General's Statement on AOC's Management Opportunities and Performance Challenges, as well as a summary of AOC's financial statement audit and management assurances. It also provides information pertaining to the Improper Payments Information Act (as amended the Improper Payments Elimination and Recovery Improvement Act), AOC's real property footprint and small business programs.

## Appendices

The appendices provide data supporting the main PAR sections. Appendix A provides a summary of the accomplishments and priorities under each jurisdiction. Appendix B lists the major facilities under AOC's care. Appendix C provides a list of AOC's websites and media platforms. Appendix D provides a summary of AOC's reimbursable accounts. Appendix E identifies prior year performance indicators that were added or not used in FY 2014. Appendix F provides a list of abbreviations and acronyms and Appendix G recognizes the individuals who contributed to this PAR.





## Section I:

# Management's Discussion and Analysis



## Our History

The Architect of the Capitol (AOC) has origins rooted in the very beginnings of our nation. In 1791, during his first term of office, President George Washington appointed a Board of Commissioners to design suitable buildings to accommodate Congress. The Commissioners staged a competition for the design of the U.S. Capitol and selected Dr. William Thornton's entry. In 1793, construction of the U.S. Capitol began when President Washington ceremoniously laid the building's cornerstone. The AOC's origins are connected to this notable event.

In 1802, Congress consolidated the duties of the Board of Commissioners and placed the care of the U.S. Capitol—which at the time housed not only the Congress but also

TOP: AOC is responsible for maintaining the historic buildings and grounds of Capitol Hill. BOTTOM LEFT: This fiscal year, AOC restored two historic 19th century bronze fountain basins designed under the guidance of Frederick Law Olmsted.





The U.S. Capitol Rotunda, one of the most popular visitor locations in the U.S. Capitol, showcases significant heritage assets entrusted to AOC's care, including paintings, sculptures, stone reliefs, and frescoes.

the Library of Congress, the Supreme Court, the district courts and other offices—and its grounds under a single superintendent, the Commissioner of Public Buildings. In 1867, the Commissioner's responsibilities were combined with those of the Architect of the Capitol Extension.<sup>1</sup> Congress passed legislation in 1876 that formally established the Architect of the Capitol as a permanent office under the Legislative Branch of the Federal Government.

As our nation grew, the Congress also expanded and AOC's responsibilities correspondingly increased. Congress' multiple physical expansions included enlarging the grounds and constructing new buildings such as the Library of Congress and separate House and Senate office buildings. Throughout the 20th century, AOC oversaw construction and took responsibility for stewardship of the Cannon, Longworth and Rayburn House Office Buildings, the Russell, Dirksen and Hart Senate Office Buildings, the Capitol Power Plant, the Botanic Garden facilities and the Supreme Court Building. AOC also assumed administrative responsibility for the Library of Congress' Thomas

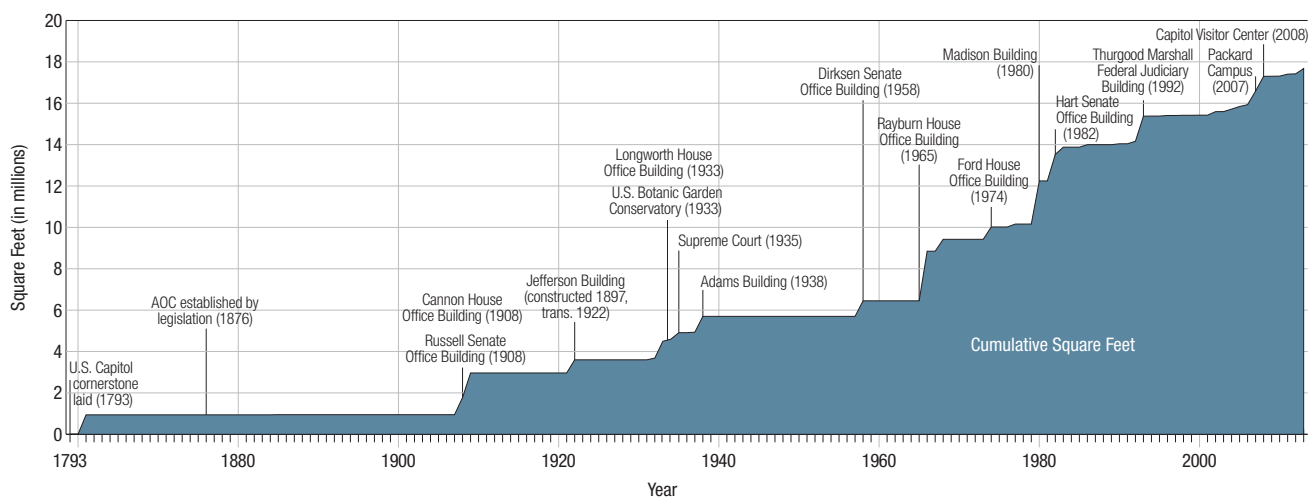
Jefferson Building and oversaw construction of the Adams and Madison buildings. In recent years, AOC oversaw the construction of the Capitol Visitor Center. The over 710,000-square-foot facility is the largest addition in the U.S. Capitol's history. In addition, AOC received responsibility for the care of Union Square, a 12-acre site between the U.S. Capitol and the National Mall, in FY 2012. Although most of AOC's facilities are on or near Capitol Hill, AOC also maintains support facilities in other locations.<sup>2</sup> Today, under the leadership of Architect of the Capitol Stephen T. Ayers, AOC's employees work to maintain and improve over 17.4 million square feet of building space and over 587 acres of grounds.

**Figure 6** shows the growth of AOC's facility stewardship responsibilities from 1793 through the present. **Figure 7** shows a map of the major facilities on Capitol Hill that AOC is responsible for while Appendix B provides a list of the major facilities under AOC's care.

<sup>1</sup> The word "Extension" was subsequently dropped, simplifying the title to the Architect of the Capitol.

<sup>2</sup> For example, off-site support facilities include the Packard Campus in Culpeper, Virginia, and the Fort Meade Book Storage Modules in Anne Arundel County, Maryland.



**FIGURE 6: Growth in Major Facilities under AOC's Care****FIGURE 7: Map of the U.S. Capitol**

AOC serves as steward for over 17.4 million square feet of facility space and 587 acres of grounds. The major facilities on Capitol Hill that fall under AOC's care are depicted on the map. A virtual tour of Capitol Hill is available at [www.capitol.gov](http://www.capitol.gov).

## Our Mission and Organization

### Who We Serve

AOC is responsible to the United States Congress, the Supreme Court, the Library of Congress and the Botanic Garden for the maintenance, operation, development and preservation of over 17.4 million square feet of buildings and more than 587 acres of grounds. AOC also provides professional expertise on the preservation of architectural and artistic elements entrusted to its care and provides recommendations concerning the design, construction and maintenance of the Capitol Hill facilities and grounds. AOC also supports the needs of nearly 30,000 occupants and millions of tourists who visit annually and ensures the buildings and grounds meet modern standards for sustainability and accessibility.

### Our Mission

AOC's mission is to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences.

### Our Vision

AOC will be an exceptional team, acclaimed for superior service, recognized as trusted stewards and renowned for enriching people's lives.

### Our Values

The professionalism and integrity of each AOC employee demonstrate our dedication to providing quality services and our commitment to holding ourselves to the highest standards.

We recognize that we do our best work through teamwork, each of us lending our individual strengths and talents to the greater goal of the entire team. We respect each other and rely on each other in our efforts to make AOC a center of excellence.

We take great pride in what we do and in the honor of serving Congress, the Supreme Court and the American people each and every day.

### Our Organization

AOC is a nonpartisan, professional services office of the U.S. government's Legislative Branch, led by Architect of the Capitol Stephen T. Ayers. The Architect of the Capitol



### In Focus

#### U.S. Capitol Dome Restoration Project

The United States Capitol Dome, symbol of American democracy and world-renowned architectural icon, was constructed of cast iron more than 150 years ago. The 8.9 million pound Dome has not undergone a complete restoration since 1959–1960 and, due to age and weather, is now faced with more than 1,600 cracks and deficiencies.

The AOC recently began a multi-year project to repair these deficiencies, restoring the Dome to its original, inspiring splendor and ensuring it can safely serve future generations of visitors and employees. This project is scheduled for completion by October 1, 2016—in time for 2017 inaugural activities. This critical construction project is an important investment for preserving the historic fabric of our nation and a fiscally prudent business decision.

“As stewards of the Capitol for the Congress and the American people, we must conduct this critical work to save the Dome,” stated Architect of the Capitol Stephen T. Ayers, FAIA, LEED AP. The Architect added: “from a distance the Dome looks magnificent, thanks to the hard-work of our employees. On closer look, under the paint, age and weather have taken its toll and the AOC needs to make repairs to preserve the Dome.”

Preparation work, including the installation of overhead safety netting inside the Rotunda and the construction of a scaffold system on the exterior, has begun. The scaffolding assembly will eventually surround the Dome from the top of the Dome skirt to the base of the Statue of Freedom. As portions of the scaffolding are completed, repairs such as lead paint abatement, primer coat application, cast iron restoration and window replacement and repair can begin. The project will also update existing mechanical, electrical and lighting systems.

More information is available at: [www.aoc.gov/dome](http://www.aoc.gov/dome).





In April 2014, Architect of the Capitol Stephen T. Ayers briefed the media on the details of the multi-year U.S. Capitol Dome Restoration Project upon the reopening the Rotunda after the installation of protective netting.

serves as an official of the Legislative Branch, acting as both an officer and agent of Congress.<sup>3</sup>

AOC provides a wide range of professional expertise and services to preserve and enhance the U.S. Capitol. AOC is responsible for the preservation of some of America's most historic landmarks. In addition to facilities management services, AOC also manages new construction, renovation projects and visitor services at the Capitol Visitor Center and the U.S. Botanic Garden. AOC is organized into 10 primary jurisdictions as well as general administration offices in charge of centrally managed functions. **Figure 8** presents AOC's organization chart. AOC's organizational directory is online at [www.aoc.gov/organizational-directory](http://www.aoc.gov/organizational-directory).

While AOC's jurisdictions are each funded by separate appropriations,<sup>4</sup> the General Administration (GA) appropriation centrally funds common operational services supporting AOC jurisdictions' engineering, safety, energy, construction, preservation and business needs. This allows AOC to establish economies of scale that increase efficiency and reduce costs by providing centralized specialized expertise in support of all AOC operations. Funding



The AOC published a time lapse video showcasing six months of work scaffolding the U.S. Capitol as part of the two-year Capitol Dome Restoration Project: [www.youtube.com/watch?v=gWNPI\\_G\\_89I](http://www.youtube.com/watch?v=gWNPI_G_89I).

for the GA appropriation supports multiple operations and mission support including construction, curatorial, design, energy and sustainability, facilities planning and programming, historic preservation, project management, safety, fire, and environmental, technical support and business services and programs.

AOC's responsibilities have steadily increased throughout its history and its workforce has kept up with congressional demand for professional and construction services. AOC's FY 2014 staff included 2,085 Full-Time Equivalents (FTEs) (as of September 30, 2014) as well as temporary and seasonal staff. AOC uses temporary and seasonal staff as cost-saving measures for activities of limited duration (e.g., construction projects and the biennial congressional office moves) and programs with fluctuating demands (e.g., visitor services). AOC's most valuable resource is its workforce. Each employee's contribution is vital to AOC's success. The diverse workforce includes skilled laborers, custodians, gardeners, electricians, plumbers, upholsterers, carpenters,

<sup>3</sup> The Architect of the Capitol also serves as a member of several governing or advisory bodies, including the U.S. Capitol Police Board, Congressional Accessibility Services Board, Advisory Council on Historic Preservation, National Capital Memorial Advisory Commission and the District of Columbia Zoning Commission. The Architect of the Capitol serves as an ex-officio member of the United States Capitol Preservation Commission and the National Building Museum and as the Acting Director of the U.S. Botanic Garden under the Joint Committee on the Library.

<sup>4</sup> The AOC Supreme Court Building and Grounds jurisdiction is reimbursed for its expenditures via the Judicial Branch appropriation. The remaining AOC jurisdictions are funded via the Legislative Branch appropriations bill.

FIGURE 8: AOC Organization Chart

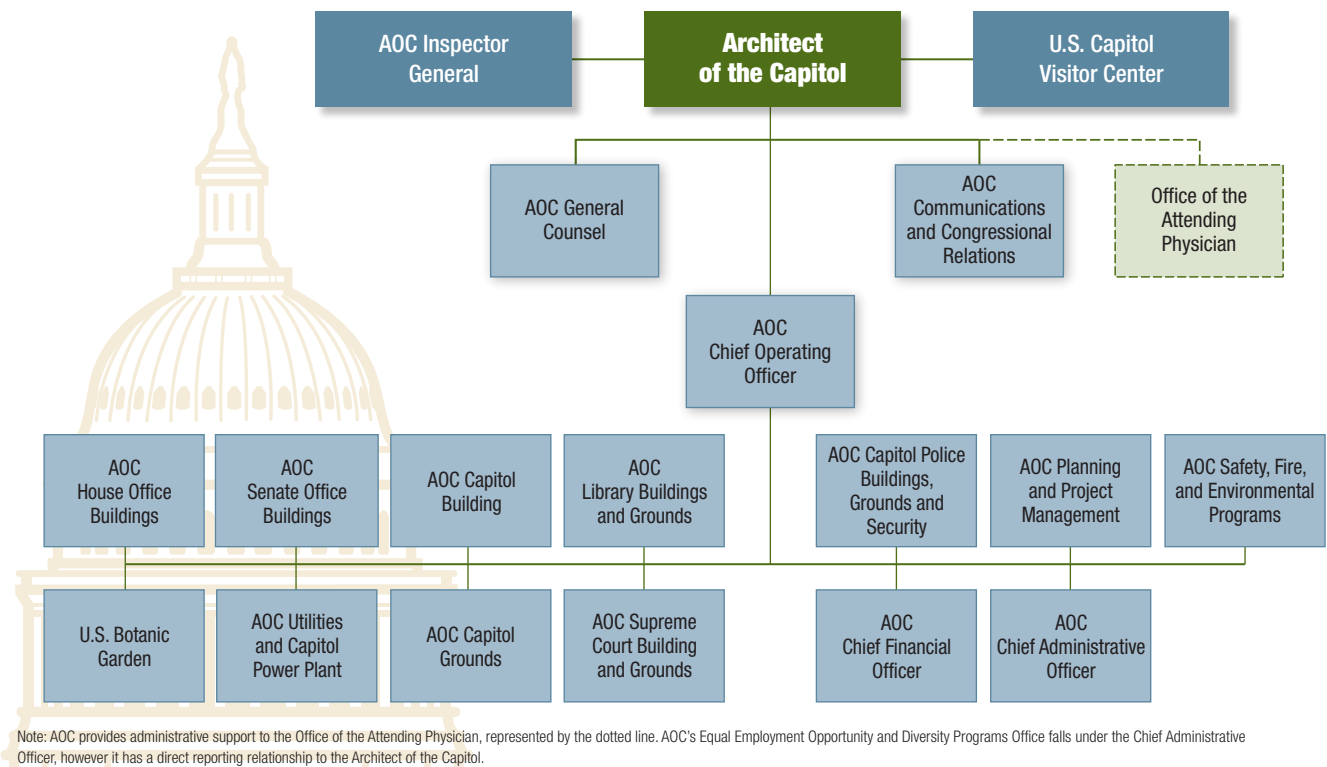
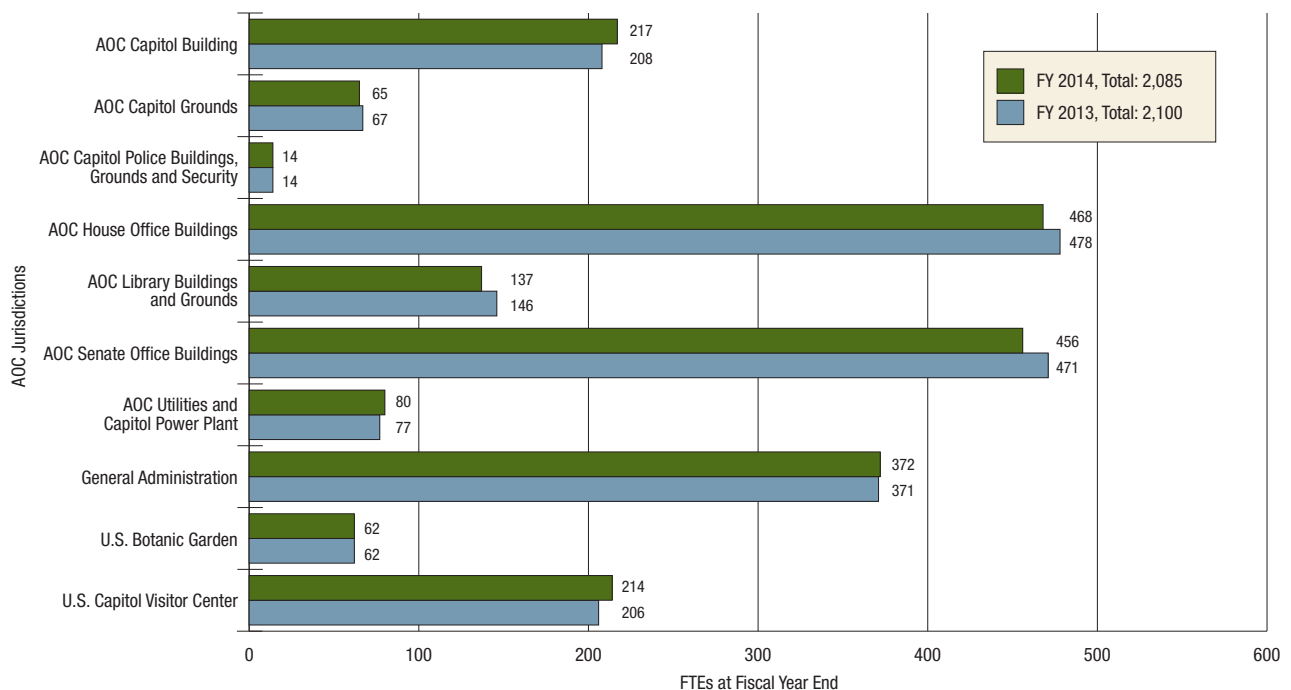


FIGURE 9: Actual FTEs by AOC Location



Note: The total AOC FTEs and the chart exclude the FTEs on board at the Supreme Court Building and Grounds jurisdiction (40 at FY 2014 and 37 in FY 2013). These FTEs are not included in the AOC appropriation and are separately funded via the Judiciary Branch appropriation. The total FY 2013 AOC FTEs was lowered from 2,102 (as reported in the FY 2013 PAR) to 2,100 FTEs to reflect final year-end adjustments.



painters, masons and other craftspeople. **Figure 9** shows the distribution of AOC's FTEs by location.

### General Administration Offices

AOC's General Administration offices includes the Architect of the Capitol, the Assistant Architect of the Capitol and the several offices which provide the essential central management functions and operational services of the agency. These central offices are described below.

#### AOC Chief Administrative Officer

The AOC Chief Administrative Officer (CAO) provides administrative and business support and includes the AOC Acquisition and Material Management Division, AOC Curator Division, AOC Human Capital Management Division, AOC Information Technology Division and AOC Office Services Division. The CAO also manages the Policy Program Office and Senate food service. The AOC Curator Division, which is responsible for the care and conservation of the architectural, fine and decorative arts under AOC's stewardship, also manages the AOC Records Management and Archives Branch and the AOC Photography Branch. AOC's Equal Employment Opportunity and Diversity Programs Office falls under the AOC Chief Administrative Officer, however it has a direct reporting relationship to the Architect of the Capitol.

#### AOC Chief Financial Officer

The AOC Chief Financial Officer (CFO) is responsible for ensuring sound financial stewardship as well as providing value-added analysis that provides insight into the financial implications of program decisions. CFO activities include accounting operations, budget formulation and execution,

financial reporting, financial systems management, fiscal policy, internal controls and managerial cost accounting. The CFO organization includes the Accounting Division, Budget Division, Financial Systems Division, Internal Controls Manager and the Performance, Evaluation, Accountability and Reporting Group.

#### AOC Chief Operating Officer

The Chief Operating Officer (COO) is responsible for organization-wide strategic planning, performance management, quality management, worker safety, customer satisfaction and service quality. Through its Performance, Strategy and Innovation Division, the COO brings greater focus to AOC's strategic goals and objectives and drives improved performance and accountability throughout the organization. Nine of the 10 primary AOC jurisdictions, as well as several General Administration offices, report through the COO to the Architect of the Capitol.

#### AOC Communications and Congressional Relations

AOC Communications and Congressional Relations is responsible for strategic communication initiatives, legislative affairs and media and community relations. The office oversees internal and external communications to members of Congress and their staffs, external parties such as the press, government agencies and the public.

#### AOC General Counsel

The AOC General Counsel (GC) provides legal counsel to the Architect, senior staff and others within the organization on matters involving procurement, contract claims, litigation, real property, the environment, employment, labor, occupational safety, occupational health and torts. The GC serves as AOC's supervising ethics office, reviews financial disclosure forms, represents the organization in

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## Nancy Skinkle

Director, Facilities Planning and Programming Division,  
AOC Planning and Project Management

Nancy Skinkle, Director of the Facilities Planning and Programming Division, leads AOC's project prioritization process which balances AOC's short-term planning efforts and long-range requirements through the effective use of planning tools. These include the Capital Improvements Plan (CIP) process, Facility Condition Assessments and the Capitol Complex Master Plan, which she had a major hand in drafting. Due to her efforts, the CIP has been refined to become the major driver in determining which deferred maintenance projects rise to the top of the prioritization list for Congress' attention. Her focus ensures that each project funding request includes specific details on AOC mission areas such as resource conservation, security, historic preservation and sustainability.



administrative hearings and arranges for legal representation by the Department of Justice in judicial proceedings.

### AOC Inspector General

The AOC Inspector General (IG) is responsible for promoting the integrity, efficiency and effectiveness of AOC's operations and programs. The IG conducts independent audits and investigations, reviews existing and proposed legislation and regulations that may impact AOC activities and recommends policies to detect and prevent fraud, waste and abuse.

### AOC Planning and Project Management

AOC Planning and Project Management (PPM) oversees capital planning and improvement efforts, provides architectural and engineering design expertise, and executes project and in-house construction services. In addition, it provides facility maintenance for various systems including heating ventilation and air conditioning, emergency generators, cable television and legislative clocks. PPM is comprised of six divisions: AOC Construction; AOC Design Services; AOC Facilities Planning and Programming; AOC Project Management; AOC Sustainability, Energy and Water Conservation; and AOC Technical Support. Included in the Design Services Division is the AOC Historic Preservation Officer, who plays a key role in ensuring the historic buildings and grounds of Congress and the Supreme Court are maintained and enriched for future generations.

### AOC Safety, Fire and Environmental Programs

AOC Safety, Fire and Environmental Programs (SFEP) is responsible for ensuring AOC complies with safety, fire and environmental regulations. SFEP establishes safety policy, conducts oversight and coordinates emergency planning and preparedness. SFEP serves as the point of contact with external regulatory agencies for AOC's occupational safety and health, fire protection and environmental matters. SFEP is comprised of a Safety Division, a Fire Marshal Division and an Environmental Division.

### Office of the Attending Physician

The Office of the Attending Physician, comprised of several health units throughout Capitol Hill, provides primary care, emergency, environmental and occupational health services in support of the Capitol, the Supreme Court, visiting dignitaries, staff and visitors to the Capitol. AOC provides administrative support to the Office of the Attending Physician.

For additional information, the sidebar *In Focus: AOC's General Administration Appropriation* is provided under Financial Highlights in Section I of this report.



## In Focus

### Heritage Asset Preservation Projects

The AOC has the unique role of preserving and restoring the Capitol's architectural and joint fine art heritage assets for present and future generations. This work includes care for many of the works of art, statuary and fountains that beautify the buildings and grounds of the Capitol. This fiscal year's curatorial highlights included the continuation of several mural conservation projects along with the restoration of gilded cast plaster ornaments and decorative paint, and the completion of bronze preservation work.

The on-going restoration of walls and ceilings throughout the Brumidi Corridors progressed significantly this year with the completion of the large vaulted ceiling in the Reception Area, which was entirely scaffolded without interrupting the work of the Senate. The ceiling of the west inner corridor was also restored before work turned to the large and heavily overpainted Patent Corridor ceiling. Work on this ceiling will continue into 2015.

Similar conservation and restoration projects were completed in other Capitol locations. The cleaning and conservation of the historic murals in the first floor of the House wing began in the Hall of Capitols in August 2014 and will continue into the fall. The murals were painted in oil on canvas by Allyn Cox between 1974 and 1982. In the Senate Reception Room, S-213, work on the restoration of the gilded cast plaster ornaments and replication of the subtle decorative painting finishes has continued around to the east side of the room.

On the Capitol Grounds, two historic bronze fountain basins and six large lanterns designed under Frederick Law Olmsted were thoroughly cleaned, re-patinated and lacquered to protect them from corrosion. The fountain basin cleaning effort entailed a laser cleaning process.

For more information on heritage preservation at AOC, a video is available at: [www.youtube.com/watch?v=tesYAm4yU6o&list=UUsMtgr38wPby5SAEw88ISMQ](http://www.youtube.com/watch?v=tesYAm4yU6o&list=UUsMtgr38wPby5SAEw88ISMQ)





A view of the scaffolding constructed around the U.S. Capitol Dome. Multiple AOC jurisdictions are collaborating to ensure the success of the highly visible, multi-year Capitol Dome Restoration Project.

## AOC Jurisdictions

AOC is comprised of 10 primary jurisdictions, each responsible for a distinct physical area of Capitol Hill. The jurisdictions and their individual responsibilities are summarized below. Appendix A provides highlights of each jurisdiction's FY 2014 accomplishments and FY 2015 priorities. A list of the major facilities under each jurisdiction's stewardship is included in Appendix B.

### AOC Capitol Building

AOC Capitol Building (CB) is entrusted with the care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings in the world and the centerpiece of Capitol Hill. The jurisdiction is responsible for carpentry, construction, electrical, elevator, heating and air conditioning, masonry, painting, plumbing, special events and Flag Office support. In addition, the jurisdiction provides occupational health and safety, sustainability and recycling, energy management and fire detection and protection management programs. The jurisdiction also manages maintenance at the Capitol Visitor Center (CVC) although the operations of the CVC are the responsibility of the U.S. Capitol Visitor Center. More information on AOC Capitol Building is available at [www.aoc.gov/us-capitol-building](http://www.aoc.gov/us-capitol-building).

### AOC Capitol Grounds

AOC Capitol Grounds is responsible for preserving and maintaining 286 acres of landscape and infrastructure across Capitol Hill, including Union Square, the 12-acre site situated between the Capitol's West Front and the National Mall. The jurisdiction performs routine and periodic landscape maintenance such as weeding and watering seasonal plants, mowing, comprehensive tree care and upkeep of the supporting infrastructure, vehicles and equipment. The jurisdiction is also responsible for maintenance of 18.5 miles of sidewalks, 8.5 miles of drives, parking lots and irrigation systems and preservation and maintenance of historic stone walls, ornamental fountains and other decorative features. Snow and ice removal, trash collection and support for major events also fall under AOC Capitol Grounds. More information on AOC Capitol Grounds is available at [www.aoc.gov/capitol-grounds](http://www.aoc.gov/capitol-grounds).

### AOC Capitol Police Buildings, Grounds and Security

AOC Capitol Police Buildings, Grounds and Security is managed by the Office of Security Programs (OSP). OSP is responsible for the maintenance, care and operation of the buildings, grounds and security enhancements of the U.S. Capitol Police (USCP), the Alternate Computer Facility



(ACF) and related facilities. OSP also provides centralized security operations for the U.S. Capitol and manages all AOC internal security programs, perimeter security kiosks and the coordination of interagency emergency preparedness. The jurisdiction supports the USCP and other functions in protecting, policing and providing security for the congressional community and its visitors. More information on the OSP is available at [www.aoc.gov/organizational-directory/office-security-programs](http://www.aoc.gov/organizational-directory/office-security-programs).

#### AOC House Office Buildings

AOC House Office Buildings (HOB) oversees the office and committee space for the members of the U.S. House of Representatives and their staffs. The jurisdiction is responsible for the operation, maintenance and preservation of the Cannon, Longworth, Ford and Rayburn House Office Buildings, leased space in the Thomas P. O'Neill, Jr. Federal Building, underground garages, annexes and subways. The jurisdiction oversees daily domestic care, repair work and structural and equipment maintenance for these facilities and performs client services, preventive maintenance, building inspector surveys, compliance issues abatement, energy savings initiatives, recycling programs and safety inspections. The jurisdiction also manages the biennial office move process for House members. More information on AOC House Office Buildings is available at [www.aoc.gov/capitol-buildings/house-office-buildings](http://www.aoc.gov/capitol-buildings/house-office-buildings).

#### AOC Library Buildings and Grounds

AOC Library Buildings and Grounds (LBG) is responsible for the day-to-day structural, mechanical and grounds care of the Library of Congress. Its facilities management duties include grounds care; maintaining heating, ventilation and air conditioning; electrical and fire systems; and trade work such as machine work, masonry, painting, plumbing, refinishing, sheet metal and wood crafting. The Library of

Congress is the largest library in the world at 3.8 million square feet (which includes book storage modules for long-term preservation in Maryland and the Packard Campus in Virginia), housing millions of books, recordings, photographs, maps and manuscripts. More information on AOC Library Buildings and Grounds is available at [www.aoc.gov/capitol-buildings/library-congress](http://www.aoc.gov/capitol-buildings/library-congress).

#### AOC Senate Office Buildings

AOC Senate Office Buildings (SOB) is responsible for facilities operations, planning and domestic care of 2.9 million square feet of facility space including office spaces housing U.S. Senators, their staff and committees, Senate hearing rooms, child care center, restaurant operations, congressional page school and student dormitory, Senate subway transportation systems and leased facility operations. The Russell, Dirksen and Hart Senate Office Buildings form the core of the jurisdiction's 10 facilities. The SOB also manages an additional five leased facilities housing off-site Senate support organizations. SOB responsibilities include the programming, maintenance and operation of SOB building infrastructure and conveying systems to provide uninterrupted building services to Congress, inclusive of electrical, plumbing, heating, air conditioning, subway, elevator and fire and life-safety systems. Specific client services provided daily include wood crafting, upholstery, painting, garage operations, furniture inventory and setup, custodial, recycling, loading dock operations, committee hearing room and events preparations and floor care. Following each biennial election cycle, the jurisdiction manages the office move process to provide suitable office and committee space for each senator. More information on AOC Senate Office Buildings is available at [www.aoc.gov/senate-office-buildings](http://www.aoc.gov/senate-office-buildings).

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### Nathaniel ("Nate") Stormont

Supervisor, AOC Utilities and Power Plant Operations

Nate Stormont is a mainstay at the Capitol Power Plant and embodies the AOC's strategic goal "Innovative and Empowered Workforce." He is the Assistant Supervisor for the Instrumentation and Controls Branch. Nate always goes the extra distance to ensure the systems are operating effectively and responds rapidly when repairs or adjustments are needed. Through his tireless efforts to improve plant operations, Nate has also been instrumental in reducing AOC's energy usage.



### AOC Supreme Court Building and Grounds

AOC Supreme Court Building and Grounds operates and maintains the Supreme Court Building and the Thurgood Marshall Federal Judiciary Building (TMFJB). AOC's Supreme Court staff provides a variety of trades and skills including electronics, plumbing, sheet metal work, landscaping design and mechanical work. The funding to care for the Supreme Court Building and the TMFJB is appropriated by Congress to the Judicial Branch, which reimburses AOC for its operating costs. The duties required for the operation and care of the Supreme Court Building are performed under the direction of both the Marshal of the Supreme Court and AOC's Facility Manager's Office. More information on AOC Supreme Court Building and Grounds is available at [www.aoc.gov/capitol-buildings/us-supreme-court](http://www.aoc.gov/capitol-buildings/us-supreme-court).

### AOC Utilities and Capitol Power Plant

AOC Utilities and Capitol Power Plant (CPP) manages the year round operation of the Power Plant providing steam and chilled water to heat and cool the U.S. Capitol and 22 other facilities on or around Capitol Hill. In addition to the central steam and refrigeration plants, the jurisdiction also maintains an administration building and the utility tunnel distribution and metering system. The CPP is dedicated to implementing new ways to improve energy efficiency and finding cost savings through operational enhancements. The Power Plant operates on a reimbursable basis to non-congressional facilities and procures electricity from commercial suppliers. More information on AOC Utilities and Capitol Power Plant is available at [www.aoc.gov/capitol-buildings/capitol-power-plant](http://www.aoc.gov/capitol-buildings/capitol-power-plant).

### U.S. Botanic Garden

The U.S. Botanic Garden (USBG) is responsible for the maintenance, operations and construction improvements for the USBG facilities. The USBG's public areas include the

Conservatory and approximately eight acres of surrounding gardens encompassing the National Garden and the two acre Frédéric Auguste Bartholdi Park. The USBG is also responsible for the administration building and an off-site plant production and support facility with 36 greenhouse bays, several outdoor nursery areas, storage areas and maintenance shops. The USBG is the steward of a diverse plant collection and provides educational programs, tours, exhibits and consultations, as well as expertise in botany, illustration, horticulture and plant-based education for youth. The USBG is a leader in plant conservation efforts and has founded programs such as the Sustainable Sites Initiative (SITES) to encourage sustainable practices regarding the construction and operation of manmade landscapes. Architect of the Capitol Stephen T. Ayers serves as the Acting Director of the USBG and reports on its operations to Congress. More information on the USBG is available at [www.usbg.gov](http://www.usbg.gov).

*The Behind the Scenes section of this PAR includes photographs that showcase the work throughout the U.S. Botanic Garden.*

### U.S. Capitol Visitor Center

The CVC is the main entrance for visitors to the U.S. Capitol and provides informational exhibits, a restaurant, two orientation theaters, a large auditorium and two gift shops to enhance the visitor experience. The CVC has greatly increased public access to the U.S. Capitol, welcoming more than 12 million visitors since opening in December 2008. The CVC informs and inspires guests even before they arrive at the U.S. Capitol through partnerships, outreach and a vibrant and interactive Web presence at [www.visitthecapitol.gov](http://www.visitthecapitol.gov). The Chief Executive Officer for Visitor Services reports directly to the Architect of the Capitol.

**TABLE 5: Strategic Goals and Strategic Objectives**

	Strategic Goals	Strategic Objectives
Long-Term Support Goals	<b>One Team, One Mission</b> United in Excellence	Cultivate an Organizational Culture of Learning, Sharing and Support
		Utilize AOC Resources Efficiently
		Collaboratively Develop and Implement Standardized Processes, Policies and Programs
	<b>Innovative and Empowered Workforce</b> Leading Change Together	Treat People as the Cornerstone of our Success
		Increase Employee Involvement and Engagement
		Build a Culture of Transparency, Ownership and Accountability
Program-Oriented Goals	<b>Awe-Inspiring Facilities</b> Unsurpassed Craftsmanship and Stewardship	Preserve, Enhance and Protect our Facilities and Landscapes
		Strengthen our Facilities through Asset Lifecycle Management
		Promote a Culture of Resource Conservation
		Provide Superior Project Delivery
	<b>Extraordinary Services</b> Going the Extra Mile	Provide Extraordinary Client Services
		Educate, Inform and Inspire the Capitol Hill Visitor Experience

## AOC's Strategic Goals and Strategic Objectives

AOC's Strategic Vision outlines four strategic goals that support the organization's mission. The objectives under the first two goals focus on promoting a culture of integrity, teamwork and accountability. The final two goals guide principal program areas related to operational support, project delivery, preservation of heritage assets and historic structures, and client and visitor services. **Table 5** identifies the relationship between AOC's strategic goals and the objectives that support them.

For a copy of AOC's Strategic Vision, please visit the AOC website at: [www.aoc.gov/sites/default/files/documents/basic-page/AOC-strategic-vision.pdf](http://www.aoc.gov/sites/default/files/documents/basic-page/AOC-strategic-vision.pdf).

### One Team, One Mission

AOC's goal of *One Team, One Mission* is designed to foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout the organization. Three objectives support this goal:

- **Cultivate an Organizational Culture of Learning, Sharing and Support.** Deliver results and strengthen AOC's reputation for excellence by increasing collaboration and cross-functional teams across the agency and with external partners to share solutions to common challenges.
- **Utilize AOC's Resources Efficiently.** Expand the adoption of best practices, streamline internal operations for enhanced efficiency and effectiveness and maximize the effectiveness of financial information in the decision making process.
- **Collaboratively Develop and Implement Standardized Processes, Policies and Programs.** Create and engage in proactive risk management processes, establish and implement a program that drives quality improvement and build a consistent data framework to efficiently manage knowledge and drive productivity.

### Innovative and Empowered Workforce

AOC's goal to promote an *Innovative and Empowered Workforce* helps the organization attract, develop and retain exceptional employees. AOC empowers its workforce to be innovative and advance new programs and processes to serve AOC's clients, preserve its national treasures and inspire memorable experiences. Three objectives support this goal:

- **Treat People as the Cornerstone of Our Success.** Enhance employees' opportunities for personal and professional growth and continue to strengthen programs and strategies to attract and retain outstanding employees.



### In Focus

#### Cogeneration at the Capitol Power Plant

The Capitol Power Plant was built in 1910 and, today, uses an efficient energy system to heat and cool 23 facilities on Capitol Hill, including the Capitol, House and Senate Office Buildings, and the Supreme Court Building. While natural gas is the plant's primary fuel source, two of seven boilers have the capability to use coal as a backup when extraordinary circumstances warrant (e.g., extraordinarily cold conditions, natural disaster, or federal emergency). The plant currently uses coal for approximately four percent of its steam production.

As part of the AOC's 2009 Strategic Long-Term Energy Plan, cogeneration technology was identified as an energy-efficient and cost-effective means to meet future energy requirements by generating on-site electricity to power the plant. In addition, the steam produced would be used to heat Capitol Hill facilities. Cogeneration would allow the plant to use natural gas 100 percent of the time.

AOC received permits to construct a cogeneration plant, which includes the installation of cogeneration units and the associated equipment and infrastructure upgrades in the East Refrigeration Plant.

The project's design and construction will be financed via a Utility Energy Services Contract (UESC). The UESC does not require an upfront capital investment, but will be paid back over time out of the verified savings on energy costs. AOC's role includes ensuring construction is properly managed and providing for third-party review and commissioning services.

More information is available at [www.aoc.gov/projects/cogeneration-addition-capitol-power-plant](http://www.aoc.gov/projects/cogeneration-addition-capitol-power-plant).



### ■ Increase Employee Involvement and Engagement.

Empower employees to serve as AOC ambassadors who model the organization's core values. Cultivate a work environment of trust and employee engagement that leads to workplace innovation, new ideas and solutions.

### ■ Build a Culture of Transparency, Ownership and Accountability.

Instill and foster an environment of accountability and responsibility by promoting transparency through effective and clear communication.

## Awe-Inspiring Facilities

AOC's goal of *Awe-Inspiring Facilities* reflects the commitment to outstanding stewardship of Capitol Hill, facilitating legislative and judicial business and promoting a safe, healthy and secure environment. Four objectives support this goal:

### ■ Preserve, Enhance and Protect our Facilities and Landscapes.

Ensure that the national treasures entrusted to AOC's care are maintained and preserved for all generations to enjoy. Use modern technology to improve facility management and integrate safety, security and preservation principles into business operations.

### ■ Strengthen our Facilities through Asset Lifecycle Management Strategies.

Establish a world-class maintenance system to perform planned, preventive and corrective maintenance. Prepare AOC's facilities to be a model workplace of the future.

### ■ Promote a Culture of Resource Conservation.

Improve facilities asset performance by integrating sustainable practices into business operations. Foster a strong culture of sustainability within the agency as well as with stakeholders and external organizations.

### ■ Provide Superior Project Delivery.

Leverage best-in-class project management principles to strengthen facilities planning and product delivery. Product delivery entails planning, programming, design, construction and related management activities.

## Extraordinary Services

AOC's goal of *Extraordinary Services* promotes proactive and professional integrated services that exceed clients' and visitors' expectations by understanding and anticipating their needs. This goal encompasses AOC's visitor services responsibilities. Two objectives support this goal:

### ■ Provide Extraordinary Client Services.

Improve service delivery for internal and external customers and clients. Increase efficiencies and transparencies in the acquisition process.

### ■ Educate, Inform and Inspire the Capitol Hill Visitor Experience.

Provide a memorable, educational and informative experience for Capitol Hill visitors. Enhance the visitor experience by utilizing AOC's enthusiastic staff and integrating digital media and other modern tools.

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## George Rollins

Tree Surgeon Supervisor, AOC Capitol Grounds

George Rollins, Supervisor at the AOC Capitol Grounds' Tree Shop, is charged with the care and management of one of the most valuable resources—the trees that define the landscape of the historic Capitol Grounds. Each year, George and his crew set up and decorate the Capitol Christmas Tree on the West Front of the Capitol. George has worked for the AOC for over 30 years and sets high standards for quality and timely tree work, outstanding emergency response and safety, and strong leadership.



Teamwork is a critical component of AOC's success. Here, tradesmen work in synch to install the outriggers that will support the Rotunda netting ring as part of the Capitol Dome Restoration Project.

## Performance Highlights

### Strategic Vision Framework

AOC's organizational framework for performance reporting is guided by its *Strategic Vision and Five-Year Focus (FY 2012–FY 2016)*. The Strategic Vision and its underlying goals, objectives, strategies and performance indicators provide direction for AOC's transformation into a world-class organization. The goals focus on operational improvements and results (i.e., providing extraordinary services and maintaining awe-inspiring facilities) as well as organizational and

cultural change (i.e., developing a unified organization and an innovative and empowered workforce).

The Strategic Vision contains four goals and each goal contains several strategic objectives (initiatives). The strategic objectives contain multiple strategies designed to accomplish the objective. The strategies are monitored by performance indicators. While the strategic objectives are the building blocks of AOC's efforts to accomplish its goals, the performance indicators provide AOC management with quantifiable data to track progress. **Figure 10** illustrates the Strategic Vision Framework.

**FIGURE 10: Strategic Vision Framework**





As the Strategic Vision matures, AOC adapts performance indicators to more accurately measure progress. Fiscal Year 2014 is the third year under the current Strategic Vision and AOC identified 18 indicators to demonstrate and monitor progress against its strategic objectives for this fiscal year. Where available, the report provides up to five-years of historical data for trend comparison. In these cases, actual achievements from the fiscal year serve to demonstrate progress against the strategic objectives. *Section II: Performance Information* provides a more detailed analysis of each goal and the performance results under the various objectives. Appendix E provides a listing of prior year indicators that were added or no longer used in FY 2014. **Table 6** provides a breakdown of the strategic goals to strategic objectives and performance indicators.

**TABLE 6: Performance Indicators Breakdown**

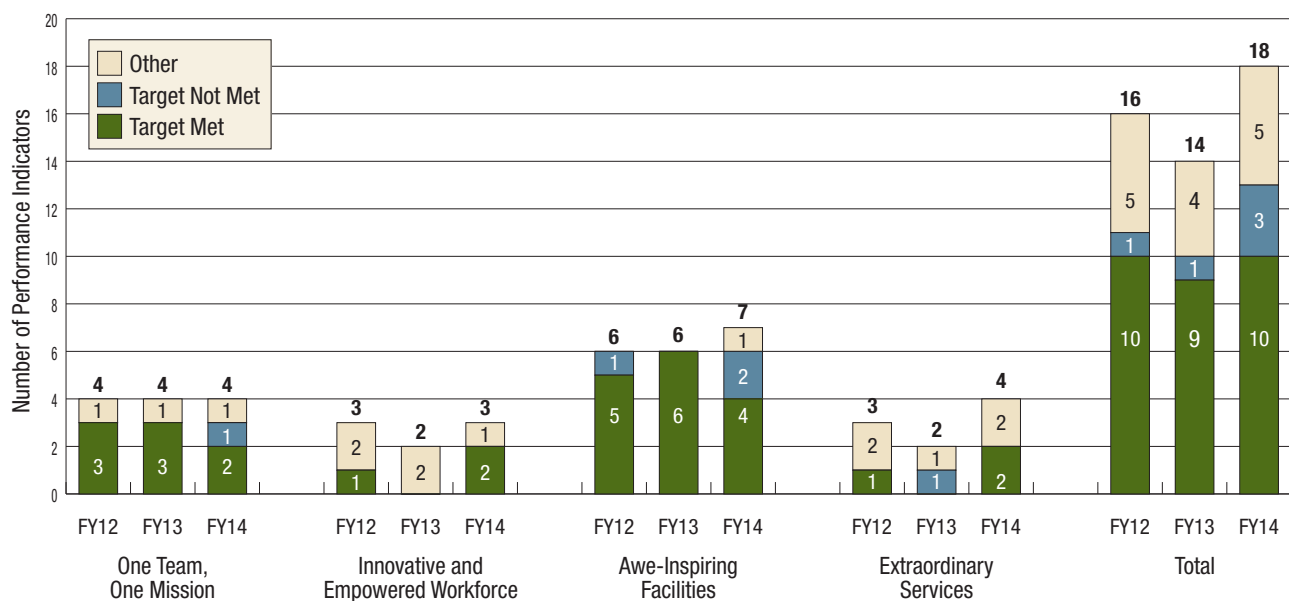
Strategic Goal	Strategic Objectives	Performance Indicators
One Team, One Mission	3	4
Innovative and Empowered Workforce	3	3
Awe-Inspiring Facilities	4	7
Extraordinary Services	2	4
<b>Total</b>	<b>12</b>	<b>18</b>

In FY 2014, AOC met or exceeded its targets for 10 of the 18 performance indicators and did not meet its targets for three. Five of the reported performance indicators did not have defined quantified targets for FY 2014 or results were not available. Performance for these indicators is reported as "Other." A summary of the performance results by goal is presented in **Figure 11**. Detailed information on the performance results and the methods used to ensure the data used is reliable and relevant is included in *Section II: Performance Information*.

### Performance Results Summary for Select Key Indicators

**Tables 7** through **10** highlight FY 2014, and where available, FY 2013 performance results for selected key performance indicators in AOC's Strategic Vision. AOC's goals of *One Team One Mission* and *Innovative and Empowered Workforce* focus on AOC's organizational culture whereas *Awe-Inspiring Facilities* and *Extraordinary Services* encompass AOC's operational mission. The AOC cost of operations (net of revenue) for each goal is provided along with the percentage of total costs for the current and prior fiscal year. A complete discussion of AOC's performance results is presented in *Section II: Performance Information*.

**FIGURE 11: Performance Results by Strategic Goal**






AOC's *One Team, One Mission* strategic goal fosters a culture of learning, sharing, cooperation and teamwork. These principles translate into improved efficiency and effectiveness throughout the organization.

## Strategic Goal 1: One Team, One Mission

**TABLE 7: One Team, One Mission — Results for Key Performance Indicator**

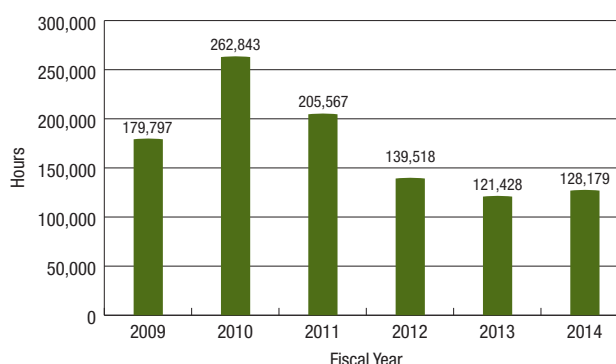
Key Performance Indicator	FY 2013 Target	FY 2013 Actual	FY 2013 Results	FY 2014 Target	FY 2014 Actual	FY 2014 Results
<b>Reduction in Usage of Overtime:</b> AOC diligently works to reduce the number of overtime hours to fulfill its mission through improved planning and scheduling. For FY 2014, AOC will incur less overtime hours than the previous year.	<139,518* hours	121,428* hours	 Target Met	<121,428 hours	128,179 hours	Target Not Met
<b>Note:</b> Figures adjusted from prior year reported amounts are marked with an asterisk (*).						

AOC's goal of *One Team, One Mission* is intended to foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout AOC. Under this goal, AOC has defined three strategic objectives: cultivate an organizational culture of learning, sharing and support; utilize AOC resources efficiently; and collaboratively develop and implement standardized processes, policies and programs.

Collaboration across the organization and between jurisdictions has allowed AOC to improve efficiency and reduce costs in FY 2014. The selected key indicator for this goal demonstrates AOC's efforts to make the organization more efficient and manage its need for overtime. Overtime usage is an indicator of AOC's ability to use resources efficiently. Each year, AOC attempts to reduce overtime usage over the previous year. As shown in **Table 7**, in FY 2014, AOC

incurred approximately 128,000 hours. Although AOC did not meet its FY 2014 target, the long-term trend is favorable—since FY 2009, AOC has managed to reduce its

**FIGURE 12: Overtime Hours Worked FY 2009–FY 2014**







Exterior work conducted as part of the U.S. Capitol Dome Restoration Project includes restoring historic cast iron elements, weatherproofing the exterior and replacing broken windows. The required scaffolding will surround the Dome from the Dome skirt's top to the Statue of Freedom's base.

overtime hours by over 28 percent. **Figure 12** illustrates the overtime usage trend over the past six years. This long-term reduction in overtime is significant in light of the additional work needed to support the biennial congressional office moves.

Anecdotal performance results provide additional evidence of progress towards achieving this goal. The following accomplishments are examples of AOC's efforts in FY 2014. Additional performance results are provided in *Section II: Performance Information*.

One Team, One Mission		
	FY 2014	FY 2013
Net Cost (\$ in thousands)	\$9,573	\$14,918
Percentage of Total Cost	1.8%	2.7%

**One Team, One Mission—Other Key Accomplishments:**

- AOC continued its cross-jurisdiction collaboration efforts. The Capitol Grounds jurisdiction worked with multiple jurisdictions to design and implement the replacement of Americans with Disabilities Act (ADA) barriers in

sidewalks across Capitol Hill. Also, the CB Mason and Insulation Divisions worked with AOC's Historic Preservation Office to learn a new process to restore delaminated plaster and maintain the building's historic fabric. Similarly, the CB Paint Division worked with the AOC Curator's Office to develop the skills to complete minor paint repairs in-house.

- AOC expanded its efforts to standardize processes and improve operational efficiencies. The CB jurisdiction served as a pilot for the integration of the work order and time and attendance systems, allowing AOC to automatically populate electronic timesheets from work order data. This enhancement will allow AOC to obtain more accurate and consistent data to facilitate intra- and inter-agency analysis. Also, the HOB jurisdiction rolled-out more than 80 mobile phones for technicians to track their work, enter labor and create work orders on-the-move with greater efficiency.
- AOC produced several policy manuals including its first Contracting Manual, a comprehensive procurement document that compiles contracting requirements, current legislation, federal regulatory requirements and AOC policies, orders and best practices. AOC also



produced a Personal Property Manual to guide staff through the personal property life cycle and a Fleet Manual to guide personnel through the process of obtaining AOC owned and leased vehicles.

- AOC significantly streamlined its policy development and revision process to formally document and facilitate policy actions such as new requests, revisions, administrative changes, periodic review and rescissions.
- AOC continued to make progress in using resources efficiently. For example, AOC reduced fuel oil consumption for boiler operations at the Library Buildings and Grounds' (LBG's) Packard Campus by more than 23,000 gallons per year—lowering annual utility costs by \$70,000.
- AOC developed a comprehensive maintenance program at LBG's Machine Shop. The program eliminated the requirement for a separate contract to maintain exterior doors and saved AOC an estimated \$100,000.
- AOC continued strengthening and expanding its Internal Control Program, including revising the Internal Control policy, creating a procedure implementation manual and developing a training syllabus (all for implementation in FY 2015). This will help ensure controls are integrated and that standardized procedures for monitoring and testing are in place.
- AOC held quarterly risk summits and is in the process of developing an enterprise risk management plan to identify, analyze, evaluate, treat and monitor agency risks.
- AOC expanded the use of WebTA, its online time system. In December 2013, the HOB Superintendent's Office began requiring that all employees use WebTA in processing leave requests and log on to computer accounts at least once a week to review email, check job announcements, read AOC publications, and conduct other AOC related business. Expanded use of WebTA at the HOB alone has reduced paper usage by an estimated 10,000 sheets per month, increased reporting measures, kept employee accounts active, and decreased the time supervisors spend on processing leave requests by an estimated combined 40 hours per week.
- Through the joint efforts of a cross-section of the agency, AOC received the Association of Government Accountants' *Certificate of Excellence in Accountability Reporting* for its FY 2013 *Performance and Accountability Report*—the third consecutive year the agency has won the CEAR Award.
- AOC utilized a pool of nearly 90 volunteers to provide valuable assistance at the Capitol Visitor Center (CVC). Volunteer support included wayfinding assistance and support for many specialized school programs.
- AOC gave back to the local community and encouraged the next generation of architects and engineers as several staff members volunteered to teach classes and mentor students at Phelps High School. AOC also participated in the District of Columbia High Schools' Mentorship Program by mentoring two high school students.

SERVE ♦ PRESERVE ♦ INSPIRE



## Theon Parker

General Foreman of the Operations Division, AOC Library Buildings and Grounds

Theon Parker possesses the dedication and professionalism that enables AOC to provide exceptional client service and meet the mission to maintain the Library of Congress' buildings and the collections within. Theon has oversight for the daily operations of all mechanical/electrical systems within the Library's facilities. He conducts himself in a professional manner and has proven to be an exceptional leader. Theon motivates by example and always promotes a diligent and thorough work ethic. Theon's leadership style has proven influential and has motivated the entire organization to excel.





AOC's talented employees are its greatest resource and critical to the organization's mission success. The *Innovative and Empowered Workforce* strategic goal creates an organizational culture that attracts, develops and retains exceptional employees.

## Strategic Goal 2: Innovative and Empowered Workforce

**TABLE 8: Innovative and Empowered Workforce—Results for Key Performance Indicator**

Key Performance Indicator	FY 2013 Target	FY 2013 Actual	FY 2013 Results	FY 2014 Target	FY 2014 Actual	FY 2014 Results
<b>Volume of Honor Awards:</b> AOC recognizes employees who have gone above and beyond the call of duty, who have demonstrated service excellence, extraordinary teamwork, or ingenuity in solving challenges.	No Target Established	601	Other	No Target Established	422	Other

AOC's goal to foster an *Innovative and Empowered Workforce* is intended to create an organizational culture that attracts, develops and retains exceptional employees, empowers its workforce to be innovative and advances new programs and processes to serve its clients, preserve the national treasures entrusted to its care and inspire memorable experiences. This goal encourages the organization to embrace change through outstanding leadership and continuous improvement. Under this goal, AOC has defined three strategic objectives: treat people as the cornerstone of AOC's success; increase employee involvement and engagement; and build a culture of transparency, ownership and accountability.

As an aspirational goal to change AOC's organizational culture, anecdotal descriptions of progress tend to be easier to identify than quantifiable measures for this goal. The accomplishments below are examples of AOC's efforts in FY 2014. AOC's efforts to recognize employees that

exemplify AOC's values and whose contribution to the organization represents service excellence are quantifiable and are presented as the key indicator for this goal. **Table 8** provides the number of AOC Honor Awards presented to employees in FY 2011 through FY 2014. AOC does not set a target for this indicator as awards are presented when appropriate. In FY 2014, AOC recognized 422 employees for achievements ranging from developing new and innovative ways to enhance productivity to increasing client satisfaction and reducing operational costs.

Additional performance results are provided in *Section II: Performance Information*.

Innovative and Empowered Workforce		
	FY 2014	FY 2013
Net Cost (\$ in thousands)	\$22,337	\$30,001
Percentage of Total Cost	4.2%	5.5%

### Innovation and Empowered Workforce— Other Key Accomplishments:

- AOC implemented Career Connector, the first phase of AOC's transition to a new Human Resources Information System (HRIS). Career Connector provides a more streamlined application process and greater efficiency in recruitment and staffing.
- AOC launched two major initiatives in FY 2014 to enhance the professional and personal growth of AOC supervisors and employees: Building Leaders focuses on developing the leadership skills of AOC's front-line supervisors and "New Year, New You" is a career coaching program for AOC employees. Several AOC jurisdictions collaborated to develop the broad-reaching Building Leaders program.
- AOC developed the Career Coach Concept—an initiative devoted to helping employees broaden their skill set and stay challenged.
- AOC revamped the "Welcome Experience" for new employees at the agency's onboarding sessions. At these sessions, AOC emphasizes the role of every employee as an ambassador of the agency and of the U.S. Congress.
- AOC administered the FY 2014 Organizational Assessment Survey. The results of the survey were positive and identified areas of opportunity to improve AOC's work environment, including areas such as supervision, training, communication and a number of internal functions.
- AOC designed the Supervisory Academy Program for rollout in FY 2015. This program will serve as the baseline for training which all supervisors will be required to attend. The training will cover the foundational skills of leadership, including motivating employees and communication.
- AOC provided upward mobility to employees in traditionally unskilled trades using the Architect's Mobility Program (AMP). The AOC House Office Buildings, AOC Library Buildings and Grounds and the AOC Senate Office Buildings jurisdictions all filled openings via the AMP program.
- AOC undertook a pilot Safety Observation and Reflection Process (SOAR) program to enhance its safety culture through behavior-based safety. It focused on engaging first-line supervisors and employees in conducting work observations and coaching in "see something, say something" interactions. Three jurisdictions participated, including 11 supervisors, their managers and their respective staffs (over 140 employees).
- AOC reached a new collective bargaining agreement with the American Federation of State, County and Municipal Employees, Local 626. The agreement culminates several years of negotiation and bargaining and represents the interests of both bargaining unit employees and AOC management. It will serve as the written guide regarding the terms and conditions of employment for bargaining unit employees.
- AOC delivered drug and alcohol awareness education to over 1,850 managers, supervisors and employees. The curriculum focused on AOC's Drug-Free Workplace policy and the detrimental impact of drug and alcohol use at work.
- AOC updated its agency-wide ethics policy. Updates included adding dual compensation prohibitions, providing guidance on using social media and other changes.
- AOC implemented a self-inspection program to identify and remediate issues that impact safety, building environment and facility aesthetics. As part of the program, supervisors proactively identify and correct deficiencies. Inspections are tracked through the Web-based work order system.
- AOC started a pilot of AOC-wide integration of data from the separate service request work order and time and attendance systems. This process improvement will allow the AOC to more effectively utilize its labor resources. AOC also expanded the use of the Work Authorization Permits to track work performed by in-house personnel and contractors from other Legislative Branch organizations.
- AOC used effective logistics business practices to strengthen its environment of accountability. As part of this effort, its Construction Division led a drive to improve safety culture by using technology to allow the automated submission of safety observations.
- AOC developed a number of programs and activities to foster employee engagement and involvement, including a bimonthly CVC staff newsletter, *Skylights*. Articles have addressed relevant subjects such as visitor protocol tips and health and fitness advice relevant to CVC work activities.
- AOC implemented a new performance appraisal system and associated policy for temporary, project-funded employees working for the AOC Construction Division.
- AOC implemented the Treasury Department's Pay.gov payment platform for the Senate Staff Health and Fitness Facility in order to streamline the membership payment process while maintaining compliance with payment card industry data security standards.









The *Awe-Inspiring Facilities* strategic goal addresses AOC's core facilities maintenance, stewardship and sustainability missions. AOC is responsible for the maintenance, restoration, renovation and new construction of the buildings and grounds on Capitol Hill.

### Strategic Goal 3: Awe-Inspiring Facilities

**TABLE 9: Awe-Inspiring Facilities — Results for Key Performance Indicators**

Key Performance Indicator	FY 2013 Target	FY 2013 Actual	FY 2013 Results	FY 2014 Target	FY 2014 Actual	FY 2014 Results
<b>Preventive Maintenance Work Order Timeliness:</b> Includes routine, scheduled facility maintenance work. AOC's PM is targeted to be 90% completed as scheduled.	≥ 90.0%	90.0%	 Target Met	≥ 90.0%	82.9%	Target Not Met
<b>Injuries and Illnesses Rate:</b> Targeted to be less than the previous year's rate.	<3.85%*	3.07*	 Target Met	<3.28%	2.95%	 Target Met
<b>Reduction in Energy Consumption:</b> Utilities are effectively used so that a decrease of 3% per year is achieved in total energy consumption. Annual energy reduction targets utilize FY 2003 baseline levels.	≤-24.0%	-26.0%*	 Target Met	≤-27.0%	-25.5%	Target Not Met

Note: Figures adjusted from prior year reported amounts are marked with an asterisk (\*).

AOC's goal of providing *Awe-Inspiring Facilities* ensures that AOC provides outstanding stewardship of the assets that are entrusted to its care, facilitates legislative and judicial business, and promotes a safe, healthy and secure environment through the efficient use of resources, integrated facility planning and sustainable practices. Under this goal, AOC has defined four strategic objectives: preserve, enhance and protect facilities and landscapes; strengthen facilities through asset lifecycle management;

promote a culture of resource conservation; and provide superior project delivery.

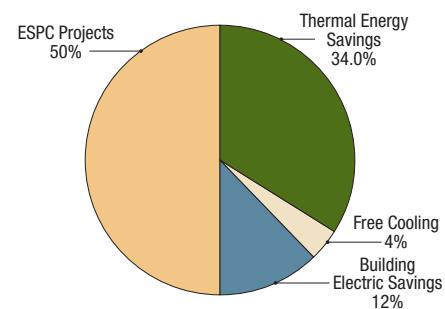
This goal addresses AOC's core facilities maintenance, stewardship and sustainability missions. Performance is measured with various indicators. The key indicators track preventive maintenance completion rates, workplace safety and energy consumption. An in-depth discussion is included in *Section II: Performance Information*.

Awe-Inspiring Facilities		
	FY 2014	FY 2013
Net Cost (\$ in thousands)	\$386,648	\$391,831
Percentage of Total Cost	72.7%	71.8%

#### Awe-Inspiring Facilities— Other Key Accomplishments:

- AOC continued the multi-year Dome Restoration Project. Funding for project phases IIA and IIB were awarded and includes constructing a scaffold system surrounding the Dome to begin the cast iron restoration and lead paint abatement. AOC also restored the James Madison Memorial Building's (JMMB's) atrium now in use by staff and the public and initiated Phase 1 of the multi-year Olmsted Terrace Stone & Metals Preservation project to repair, clean and preserve the masonry at the U.S. Capitol.
- AOC prepared for a top-to-bottom, phased building renewal of the Cannon House Office Building. The project, scheduled to begin after the 2014 elections, will include stone preservation, roof replacement and repairs to key systems such as heating, ventilation and air conditioning, plumbing, fire and life-safety, accessibility and structural integrity.
- AOC began the first phase of the Russell Senate Office Building's east facade repair and restoration project. The five-phased project on the 105 year-old building will help prevent further deterioration of the exterior stonework and includes repairing the facade, windows and doors, repointing the masonry, restoring and refinishing the exterior metals and making sculptural repairs to the balustrades.
- AOC continued its aggressive energy reduction efforts across the Capitol campus. Due to extreme winter weather, including the polar vortex in January 2014, AOC did not meet the FY 2014 energy reduction goal of a 27 percent reduction. AOC is pursuing additional energy savings through its reliance on clean fuels, building automation systems, more efficient lighting and other curtailment strategies. For example, the recent installation of a building controls system at the U.S. Capitol Police headquarters is expected to reduce the facility's energy use by 15 percent. In addition, the JMMB, U.S. Supreme Court Building and the U.S. Capitol were integrated into the AOC Building Automation System Network (BASnet), a new direct digital control system for monitoring energy usage. **Figure 13** shows the major source of cost savings as of FY 2013.<sup>5</sup>
- AOC performed several projects that focused on the detailed cleaning and enhancement of buildings. For example, in the HOB, the tunnel connecting the Longworth and Cannon buildings was painted, the Georgia marble in the Rayburn building was cleaned, and the HOB jurisdiction conducted an extended cleaning of thresholds, kick plates, stair rails and hallway entrances and corner edges.
- AOC began implementing a new Memoranda of Agreement (MOA) for all non-AOC customers of the Capitol Power Plant's utility services including the Government Printing Office, Postal Square, Folger Shakespeare Library and Union Station. The MOA with Union Station was completed in FY 2014.
- AOC began an "Open House" program to increase communication and understanding between Capitol Power Plant operations and maintenance personnel and the building engineering staff in all customer buildings. The program resulted in a greater level of awareness between participants and has helped identify and resolve utility service issues.
- AOC replaced approximately 100 pieces of ballistic glass in eight different locations in an ongoing effort to maintain the perimeter security kiosks without interrupting kiosk operations. In addition, the flooring was removed and replaced in 30 kiosk locations.
- AOC fully engaged all major facilities on campus and conducted a comprehensive fire code inspection and audit of fire protection system maintenance records at more than 20 buildings. AOC found the facilities to be in significant compliance with operational fire codes and entered recommendations into a findings database.
- AOC introduced a recycling program at the AOC Supreme Court Building and Grounds (SCBG) in March 2014. With this new program, SCBG now recycles paper, cans, bottles, scrap metal, precious metals, batteries and e-waste.

**FIGURE 13: Major Sources of Energy Cost Savings**



<sup>5</sup> This data for FY 2014 is not available at the time of publication.




- AOC implemented a Web-based version of its primary work management software to replace an older client-server application. This resulted in cost avoidance of about \$110,000 annually, providing a broad range of new, flexible tools and reports, facilitating data sharing and allowing the decommissioning of redundant software.
- AOC implemented a computer power savings initiative that reduced total power consumption of AOC computers by 60 percent.
- AOC made significant progress on several curatorial projects, including completing restoration to the large vaulted ceiling in the Reception Area of the Brumidi Corridors. On the Capitol Grounds, AOC thoroughly restored and modernized two historic bronze fountain basins and six large lanterns designed under Frederick Law Olmsted.
- AOC originated the Historic Preservation/Heritage Assets Working Group and held its inaugural meeting in February 2014. The initial effort focused on compiling Building Preservation Guides, to be used as reference documents when working on AOC Buildings.
- AOC completed an inventory of all architecturally and historically significant features at the U.S. Capitol. As part of this preservation documentation, each feature was photographed so that it could be clearly identified. AOC completed similar inventories for the Russell and Dirksen Senate Office Buildings and the Rayburn House Office Building.
- AOC completed a Cultural Landscape Report for Senate Parks and continued work on the Cultural Landscape Report for Union Square. Both products will serve as valuable long-term planning tools for future development and landscape maintenance. An upcoming report will focus on the buildings of the Library of Congress.
- AOC completed numerous small projects, with the AOC Construction Division successfully executing \$24 million of in-house construction across Capitol Hill while also achieving a debris recycling rate of 95.6 percent.
- AOC completed major construction projects including the Supreme Court West Facade Restoration, West Refrigeration Plant Revitalization (Phase 1), U.S. Capitol Police Radio System, and Thomas P. O'Neill, Jr. Federal Building (with GSA). AOC also completed fall protection projects at the Capitol Power Plant, Thomas Jefferson Building (TJB), Russell Senate Office Building and Senate Park. The multiple track-type fall arrest systems and individual anchors are essential to assure the safety of operations personnel exposed to potential fall hazards.
- AOC completed major design projects including the Rayburn House Office Building Small Arms Firing Range Replacement, the Thurgood Marshall Federal Judiciary Building Roof Replacement and the TJB East and West Pavilion Roof Replacement.
- AOC launched an Executive Safety Walkthrough Inspection Program to inspect and observe in-process work. Inspections have been conducted at the HOB Carpentry Branch, Masonry Branch, Painting Branch, Electrical Branch, Mechanical Systems Branch, Day Cleaning Section, and Rayburn and Cannon Day Labor Sections.
- AOC received a regional Energy Award "For Accomplishments on Developing, Organizing, Managing and Implementing an Outstanding Corporate Energy Management Program" at the Association of Energy Engineers' World Energy Engineering Congress in October 2013.
- AOC was awarded three 2013 Construction Management Association of America Project Achievement Awards: Infrastructure Project with Constructed Value Less Than \$50 Million (Interior Rehabilitation of the East and West House Underground Garages), Program Management/Program Phase—Buildings (U.S. Capitol Dome Skirt Restoration) and Program Management/Program Phase—Infrastructure (U.S. Capitol Power Plant, Tunnel Rehabilitation Program).
- As a partner to John C. Grimberg Co., Inc., AOC received an Association of General Contractors' Washington Contractor Award for the Capitol Power Plant Improvement Project.
- AOC completed the Leadership in Energy and Environmental Design (LEED) certification of the U.S. Capitol Police K-9 facility in May 2014, achieving a status of LEED Gold.
- To prepare its facilities to be a model workplace, AOC is incorporating "Workplace of the Future" initiatives into space planning projects, as applicable.



As part of AOC's *Extraordinary Services* strategic goal, AOC educates, informs and inspires Capitol Hill visitors. AOC provides visitors with an enjoyable and educational experience and supports hundreds of high-profile special events including congressional awards ceremonies.

## Strategic Goal 4: Extraordinary Services

**TABLE 10: Extraordinary Services—Results for Key Performance Indicator**

Key Performance Indicator	FY 2013 Target	FY 2013 Actual	FY 2013 Results	FY 2014 Target	FY 2014 Actual	FY 2014 Results
<b>Service Request Work Orders Timeliness:</b> AOC building occupants submit service requests for work tasks. Each service request generates a work order that is tracked for completion times. AOC has set its target to have 90% of service requests to be closed on time.	≥90.0%	89.7%	<b>Target Not Met</b>	≥90.0%	92.9%	 <b>Target Met</b>

AOC's goal of delivering *Extraordinary Services* is intended to ensure the delivery of proactive, professional and integrated services that exceed clients' and visitors' expectations. Under this goal, AOC has defined two strategic objectives: provide extraordinary client services and educate, inform and inspire the Capitol Hill visitor experience.

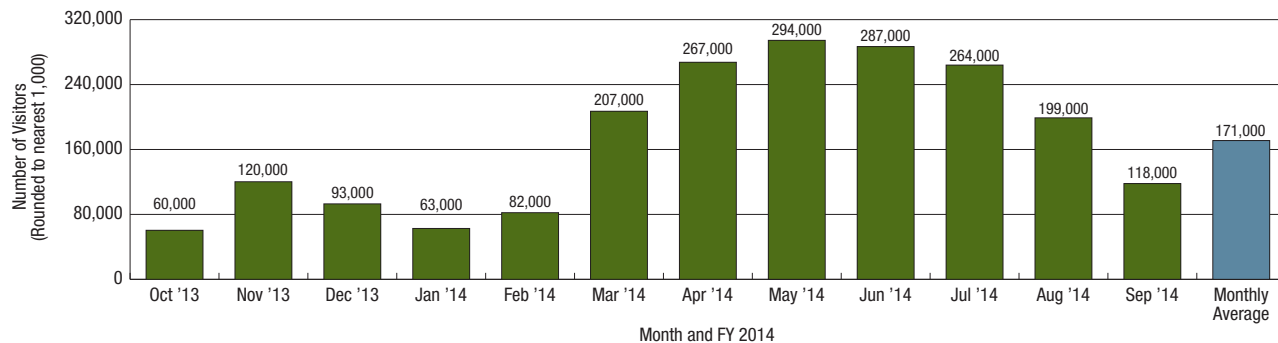
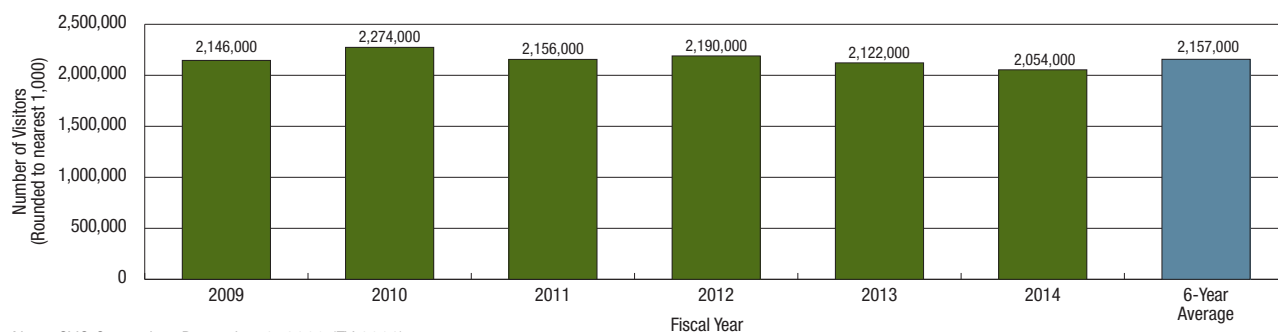
This goal addresses AOC's core functions as a support organization for Congress and the Supreme Court and as a provider of visitor services. Performance is measured with various indicators. The key indicator provided in **Table 10** tracks completion rates for service requests, which AOC met by closing 92.9 percent of requests on time. An in-depth discussion is included in *Section II: Performance Information*.

Extraordinary Services		
	FY 2014	FY 2013
Net Cost (\$ in thousands)	\$113,282	\$108,725
Percentage of Total Cost	21.3%	20.0%

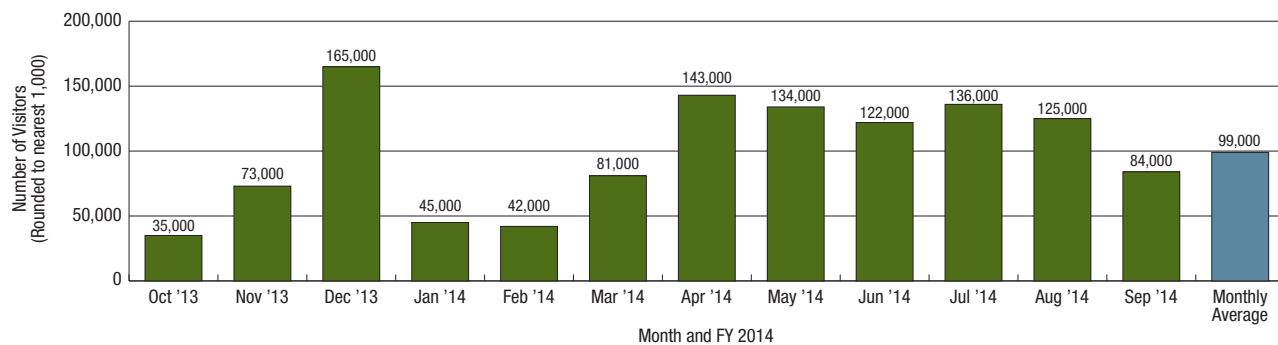
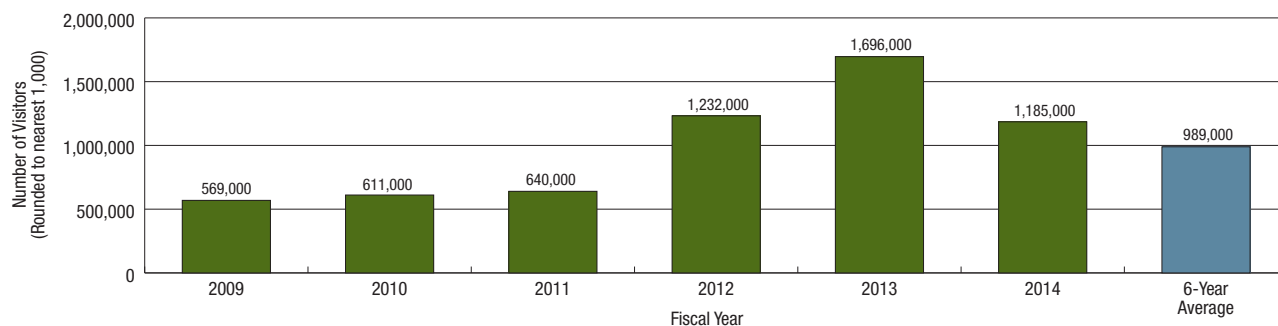
### Extraordinary Services— Other Key Accomplishments:

- AOC continued to welcome over 2 million visitors annually to the CVC. Monthly and annual CVC visitorship is provided in **Figures 14** and **15**. The USBG, which has seen a significant increase in visitors over the last several years, welcomed over 1.2 million visitors in FY 2014. Monthly and annual USBG visitorship is provided in **Figures 16** and **17**.



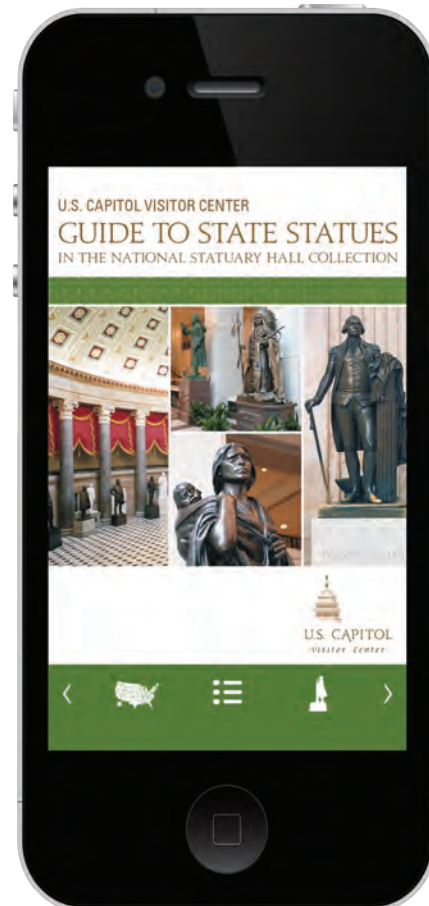
**FIGURE 14: Number of Visitors to the U.S. Capitol FY 2014 by Month****FIGURE 15: Number of Visitors to the U.S. Capitol FY 2009–FY 2014**

Note: CVC Opened on December 2, 2008 (FY 2009).

**FIGURE 16: Number of Visitors to the U.S. Botanic Garden FY 2014 by Month****FIGURE 17: Number of Visitors to the U.S. Botanic Garden FY 2009–FY 2014**

Note: For Figures 16 and 17, USBG visitor counts were lower than normal due to a malfunction in the counting system in spring 2014 (the USBG busy season). Although likely understated, amounts depicted are the number of visitors recorded in the system.

- AOC enhanced its operations to provide an exceptional Capitol tour experience. These enhancements included offering a new War of 1812 tour, expanding the Exhibition Hall Encounters Program, incorporating new middle-school civics curriculum into the standard Capitol tour, offering two mobile Apps and delivering more special programs for student groups.
- AOC continued to expand the second season of educational student programs. More than 700 students attended one of two offerings, “Art Appreciators: The Art and Architecture of the Capitol” and “Environment Matters: How Does a Bill Become Law?” The AOC also developed a tour specifically for middle-school students focused on civics education.
- AOC offered a Hands On Plant Science (HOPS) program through the U.S. Botanic Garden where local children from inner city schools immerse themselves in the natural world by using microscopes, dissecting flowers, analyzing soil and learning how seeds travel. The newly expanded program now includes a training component so that DC-area teachers may integrate the HOPS lessons into their curricula.
- AOC successfully implemented the Library of Congress’ FY 2014 Space Modernization program. The program supports a multitude of client-requested study, design and construction initiatives and 13 high-visibility projects, such as renovating the Geography and Maps Reading Room to improve visitor and scholar experiences.
- AOC provided exceptional client services during major events hosted on Capitol Hill and maintained service delivery despite an extreme winter. Key events supported included the annual Capitol Christmas tree lighting and the Memorial Day, Independence Day and Labor Day summer concerts.
- AOC began planning for a seamless 114th Congressional transition resulting from the November 2014 elections. This effort entails managing hundreds of office and committee moves and thousands of related work orders. It also requires disciplined coordination and planning between the AOC Capitol Building and the House and Senate Office Buildings jurisdictions, the Members of Congress and their staffs, and related Legislative Branch organizations.
- AOC worked with multiple stakeholders and a programming contractor to develop an improved website for the House of Representatives’ 114th Congressional transition to integrate the Lottery Suite Selection and the Geographic Information System websites. The second iteration of the website development was completed in May 2014, and the interface improvements were finished in September 2014.
- AOC developed and implemented a new, two-day orientation program to improve the employee onboarding experience.
- AOC implemented a new Universal Accessibility Policy and Standards in December 2013. This policy will assist the agency in making ADA improvements throughout Capitol Hill, improving the visitor experience.
- AOC replaced the isolation valves in the Rayburn House Office Building (RHOB) water system. These valves were original to the 1960s-era building and were designed to allow each quadrant of the building to be separated. Over the years, the valves had failed, resulting in the need to drain the entire building at times. AOC took advantage of this project and also replaced nearly 200 feet of hot water piping in the RHOB basement.



In FY 2014, the U.S. Capitol Visitor Center introduced two new mobile apps to enhance the visitor experience, including a National Statuary Hall Collection guide that describes and illustrates the 100 statues donated by the 50 states.





Looking ahead, AOC continues its transformation into a forward thinking, collaborative and innovative organization that is better able to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences.

### Looking Toward the Future: Our Strategic Vision

In FY 2014, the third year of AOC's five-year Strategic Vision, AOC continued to shift the organizational culture by creating a more unified AOC (*One Team, One Mission*), composed of a talented workforce (*Innovative and Empowered Workforce*), that excels in its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences (*Extraordinary Services* and *Awe-Inspiring Facilities*). AOC's strategic efforts in FY 2014 focused on priorities based on the Architect's vision to make AOC a trusted

partner of choice, leveraging core competencies and maximizing return on investment. Using the results of its Organizational Assessment Survey, FY 2015 priorities will focus on fairness in advancement, fairness in recognition and rewards, and reducing bureaucracy and increasing flexibility. Agency leadership will be accountable for implementing solutions to the concerns raised in the employee survey. Working together, AOC will meet these challenges head-on. As the Strategic Vision matures, AOC will revisit its strategic priorities to ensure the agency remains focused on the top transformational priorities.

## Management Challenges and Looking Ahead

AOC faces unique challenges in meeting its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable visitor experiences. By identifying and defining the most difficult challenges facing the agency, AOC's management is able to mitigate barriers to operational success. This section outlines AOC's most significant challenges, as determined by management, and the initiatives AOC has developed to address them. The challenges include:

- Stress on Budgetary Resources
- Deferred Maintenance and Capital Renewal Backlog
- Energy Stewardship and Sustainability
- Physical Security of Facilities
- Workplace Safety and Health
- Management of Concurrent Projects

One notable change from last year involves renaming the "Sequestration Management" challenge to "Stress on Budgetary Resources"—a change conveying that budgetary pressures are more extensive than just the mandatory sequestration cuts. Another notable change is the addition of "Management of Concurrent Projects" to the challenges list—a change reflecting that AOC is facing the prospect of completing several multi-year, large construction projects at the same time. In addition to these challenges identified by management, AOC's Inspector General submitted a separate list of management opportunities and performance challenges—included in *Section IV: Other Information*.

### Stress on Budgetary Resources

**Key Challenge:** In past years, AOC met the challenge of an increasingly constrained budget environment, including the October 2013 lapse in appropriations, by focusing on its core mission to preserve and maintain the historic assets in its care. While AOC strives to continuously become more efficient, the cost of complying with regulatory requirements related to energy, safety and security, coupled with the growing cost of day-to-day operations, puts increased pressure on budgetary resources. Even more concerning is the damage that is occurring to the crucial building infrastructures, such as the deterioration in the USBG Conservatory and underground garages. These factors are compounded by the growing backlog of deferred maintenance and future capital renewal needs. This already strained environment is amplified by the fact that the cost of maintaining historic structures is higher than the cost of maintaining non-historic office buildings and related structures. These circumstances present AOC

with a significant dilemma on how to address these growing needs across Capitol Hill and ensure the historic fabric of its buildings is preserved before the damage becomes too great.

While AOC continues to take tremendous cost avoidance measures in order to work smarter and leaner, the agency must also be prepared to rise to potential workload challenges as a result of external events such as the November 2014 elections and the 114th congressional transition. These transitions are heavily labor-intensive and can involve hundreds of post-election office moves and thousands of work orders.

**AOC Initiatives:** To address long-term budget constraints, AOC is focused on finding innovative ways to work leaner to reduce operational costs and redirect those resources to other priority needs. Despite increasing workloads, AOC continues to focus on managing its overtime costs through improvements to project planning and restructuring work shifts. Innovative implementation efforts have helped to improve worker efficiency.

Since sequestration requires AOC to limit spending in 2016, it is important to focus on preserving the structures in place before building new. Accordingly, as part of its Congressional Budget Justification, AOC judiciously set up a Project Prioritization Process that will continue into FY 2015 and beyond. It ranks every necessary project using two primary drivers: the condition of the facilities and the urgency in which the deficiencies need to be addressed. This process identifies projects that will require major investments in preservation and restoration and ensure that only the most pressing needs are met. Without the long-term funds to fully address all maintenance requirements, AOC is concentrating in the short-term on the most pressing repairs to ensure that facilities remain operational. However, the agency understands that, in doing so, repairs are being delayed that will eventually become necessary to address. The longer these projects are delayed, the conditions of these facilities will continue to deteriorate, deficiencies will grow more serious and, ultimately, more costly to repair. Additional consequences of not addressing looming deferred maintenance and capital renewal projects are the continued crumbling of facilities' infrastructures; a loss of historic artwork and architectural features; continued system and building failures; and security threats. AOC's investments in these projects will help to preserve national treasures for future generations and are designed to allow Congress to realize efficiencies and savings, as well.

AOC also continues efforts to find needed funds within AOC's existing budget through operational efficiencies and contract re-negotiations. In FY 2015, AOC will continue to identify opportunities to move work in-house, consider the further implementation of shared services and address mandated



energy reduction requirements. Some of AOC's most notable recent cost savings result from reduced energy consumption across Capitol Hill, and innovative cost avoidance strategies such as the Return to Work program—a program to return long-term workers' compensation employees to positions that have been designed to accommodate their limitations.

Across AOC, a new initiative that capitalizes on the exchange of institutional and professional knowledge has been implemented. The Exchange of Critical Expertise and Learning (ExCEL) Program serves to improve organizational productivity, enhance strategic efficiencies and increase employee knowledge. This in-house resource is especially important as dwindling training budgets have made it increasingly difficult to provide third-party training opportunities and a growing number of employee retirements are expected.

AOC's efforts to prioritize and find efficiencies, especially in the areas of energy conservation and sustainability, are paramount to minimizing AOC operational costs. However, as AOC exhausts opportunities for efficiencies and savings that are the easiest to achieve or produce the largest return on investment, future efficiencies will be more challenging to find and expensive to achieve. In this challenging economic time, AOC will continue to correct deficiencies and prevent facility or system failures by being judicious in its investment decisions and ensuring resources go to the highest priority projects.

AOC remains focused on implementing efficiencies that streamline operations and reduce costs to limit the impact of current budgetary stresses. By constantly searching for

innovative ways to improve its stewardship of taxpayer dollars, management ensures that the agency is able to meet its core mission.

## Deferred Maintenance and Capital Renewal Backlog

**Key Challenge:** The AOC specializes in maintaining the historic and other facilities entrusted to its care. These facilities are both effective workplaces for Congress and the Supreme Court and are destinations that millions visit and enjoy all year long. In many instances, the craftsmanship of the dedicated men and women who work at the AOC has successfully masked the serious conditions or fragile states that these facilities are in, or have temporarily stemmed further deterioration. However, these temporary patches are just that—temporary. Addressing the growing deferred maintenance and capital renewal needs across Capitol Hill to ensure the historic fabric of the Congressional buildings and grounds is preserved before the damage becomes too great is a significant ongoing challenge.

As with all deferred maintenance, the longer scheduled and necessary preventive maintenance and repairs are delayed, the greater the risk that problems will become worse and more costly. In addition, capitol renewal needs include projects needed to improve the functionality of the facilities, making them more efficient, comfortable and safe. This would include, for example, replacing or repairing key building systems such as heating, cooling, lighting, plumbing, fire and life-safety, as well as upgrades to improve accessibility and structural integrity. The AOC continues to



Stone preservation across Capitol Hill is emerging as a top priority for AOC. Investments in exterior stone repair projects at the U.S. Capitol, Russell Senate Office Building and the U.S. Botanic Garden Conservatory will pay long-term dividends and preserve these historic buildings for decades to come.

carefully monitor and maintain its facilities and building systems to minimize the risk of catastrophic failure. However, delaying critical preventive maintenance and capital renewal work puts even greater pressure on future fiscal years' budgets as well as employees to keep deteriorating systems running for longer than best practices dictate.

The AOC's facilities are more than just a collection of buildings. They are landmarks that represent the historic fabric of our nation. Their age and iconic nature dictate that AOC continue addressing the deferred maintenance and capital renewal backlog because it is financially prudent to do so. AOC's total FY 2014 deferred maintenance backlog and capital renewal requirements are estimated at \$1.3 billion. Of this total, over \$281 million represents deferred maintenance (see this report's *Required Supplementary Information* for more information on deferred maintenance), with the balance comprising AOC's capital renewal costs.

**AOC Initiatives:** AOC uses several tools to plan, prioritize and manage the deferred maintenance and capital renewal requirements for Capitol Hill. AOC identifies and ranks projects using Facility Condition Assessments (FCAs), the Five-Year Capital Improvements Plan (CIP) and the draft Capitol Complex Master Plan (CCMP) as tools to assist in prioritizing resources and efforts to ensure the most pressing requirements are addressed first. The highest priority projects in the near-term include the U.S. Capitol Dome Restoration, Cannon House Office Building Restoration, the Power Plant's separate Refrigeration Plant Revitalization and Co-Generation projects, Rayburn House Office Building Garage Rehabilitation, Senate Underground Garage Renovations and Landscape Restoration and several critical exterior stone repair projects.

The FCAs allow AOC to identify the most critical needs of each facility. The FCAs are performed by independent contractors to give AOC an unbiased view of which projects should be considered the most urgent. Many of AOC's buildings and grounds are historic in nature, and these assessments inform the CIP as to which of the facilities are in most danger of serious degradation or disrepair in the short- or mid-term. In this fiscal environment, AOC works to improve its FCA prioritization methods to achieve the greatest return for the least possible cost.

AOC's five-year CIP is a dynamic planning tool that uses annual funding requirements and the priorities outlined in the CCMP to evaluate capital projects based on their importance and practicality. The CIP considers phasing opportunities, project sequencing and other factors to better facilitate the timing and execution of major deferred maintenance and capital renewal projects. It is updated annually to reflect the most current fiscal restraints and facility requirements and results in an ordered list of projects.



As with all deferred maintenance, the longer scheduled and necessary preventive maintenance and repairs are delayed, the greater the risk that problems will become worse and more costly. This photo depicts the U.S. Capitol's House Pediment damage.

The draft CCMP helps to forecast the facility maintenance challenges AOC may face over a 20-year period. It identifies the overarching strategies AOC may pursue to address those long-term challenges. The plan serves as a framework for ensuring and maintaining a quality work environment, including adequate office and support space, stewardship of natural and cultural resources and provision of reliable, energy-efficient infrastructure.

AOC continues to employ a Project Prioritization Process to rank every essential project in its annual budget request. This effectively allows AOC to identify and recommend to the Congress the levels of investment and maintenance required to ensure the facilities remain safe, functional and protected. Due to resource constraints, AOC has found that, in certain cases, it is necessary to phase major projects to better manage the time and resources needed to complete them. The ongoing Dome Restoration Project is an example of this approach. The first phase, the Dome Skirt, was completed on time and below budget, and provided AOC with valuable lessons learned for the future phases of the Dome Restoration Project.

In AOC's FY 2015 budget request, AOC requested funding for several critical exterior stone projects, including repair work on the U.S. Capitol, Russell Senate Office Building and





AOC is committed to a more energy-efficient and sustainable future. By integrating sustainable practices into business operations, it strengthens a culture of sustainability with stakeholders and external organizations.

USBG Conservatory. The deteriorated condition of the sandstone and marble facades in historic buildings caused by wear and tear, weather and environmental factors has the potential to create a public safety hazard from falling stone and undermine a building's structural integrity.

Nearly 80 percent of the facilities under AOC's care are in excess of 25 years old and nearly one-third are older than 75 years (**Figure 18**). The maintenance and repair requirements of these facilities continue to expand as the buildings age and maintenance is deferred. AOC's planning tools assist in managing the backlog of deferred maintenance and capital renewal requirements and Congress has been very supportive of AOC's efforts to address critical projects. Going forward, AOC will require Congress' continued support to meet this challenge and ensure the long-term preservation of the historic buildings and grounds under its care.

## Energy Stewardship and Sustainability

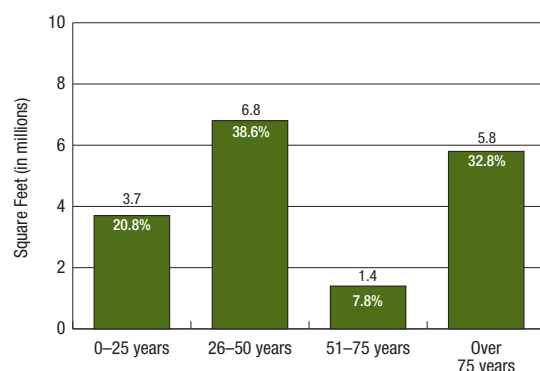
**Key Challenge:** AOC has been successfully decreasing energy consumption across Capitol Hill for the past several years to reduce the cost of operations and to meet the 10-year program requirements of the Energy Policy Act of 2005 (EPAct2005) and the Energy Independence and Security Act of 2007 (EISA2007). In addition, although it is a Legislative Branch agency and not required to comply with Executive Branch requirements, AOC is mirroring the standards set forth in the *Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings*.

In accordance with EISA2007, AOC is aggressively implementing measures to reduce energy use by three percent annually from FY 2003 base levels, yielding a 30 percent total reduction by FY 2015. Although AOC did not meet the FY 2014 energy reduction target of 27 percent, it was challenged this year after a very cold winter that increased the demand for heating across Capitol Hill. Additionally, with the recent completion of the AOC's three Energy Savings Performance Contracts (ESPCs), meeting the future mandated energy reduction targets will be more difficult because projects that yielded quick financial paybacks are already in place. Future energy savings opportunities have longer payback periods, require significant financial commitments, and compete with other mission requirements for limited available funds. Meeting the energy reduction goal in the final year (FY 2015) of the 10-year program requirements will be a significant management challenge.

**AOC Initiatives:** AOC is committed to a more energy-efficient and sustainable future. As a national leader in sustainable and responsible practices, AOC understands that historic preservation and stewardship are powerful tools to drive the accomplishment of sustainability, energy and water savings. AOC promotes a culture of resource conservation and aims to improve asset performance, integrate sustainable practices into business operations and strengthen a culture of sustainability with stakeholders and external organizations. In recent years, AOC established a Sustainability and Energy Division to advance its sustainability and energy performance management initiatives.

The Capitol Power Plant (CPP) continues to play an essential role in the AOC's long-term energy conservation efforts. The CPP has made several operational improvements that contributed to the overall reduction in energy consumption, including the commissioning of two new, half-size chillers in December 2013, as part of the Refrigeration Plant Revitalization project. These improvements increased its energy efficiency cooling system reliability. As part of the

**FIGURE 18: Age of AOC Facilities Portfolio**





AOC is dedicated to ensuring the security of its facilities and providing a safe and secure environment for Congress, the Supreme Court, staffs and visitors to the U.S. Capitol.

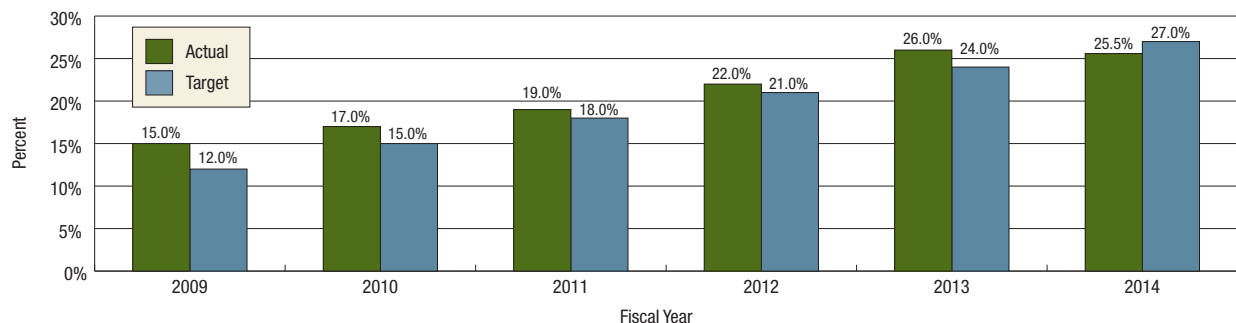
Strategic Long-Term Energy Plan for the CPP, cogeneration technology has been identified as an energy-efficient and cost-effective way to meet future energy requirements. AOC is currently working with local utility providers to plan the installation of an energy-efficient cogeneration system. These initiatives will generate heavy construction at the CPP. Also, this work involves specialized industrial equipment that must be installed and connected to critical operations equipment and systems so as not to negatively impact the delivery of steam and chilled water to the Capitol. AOC must ensure the construction is properly managed and will thereby provide for third-party review and commissioning services for this project.

The AOC recently completed a number of projects to further reduce energy consumption across Capitol Hill by implementing three ESPCs as follows:

- House Office Buildings: Completed March 2012; annual cost avoidance of \$3.4 million
- Capitol Building: Completed November 2012; annual cost avoidance of \$1.8 million
- Senate Office Buildings: Completed March 2013; annual cost avoidance of \$3.6 million

Fifty percent of AOC's energy reduction may be attributed to these contracts. **Figure 19** illustrates AOC's six-year energy reduction trend.

**FIGURE 19: AOC Energy Reduction**







AOC's philosophy of People First, Safety Always sets the tone for its commitment to ensuring safety within its facilities and on the Capitol grounds. In FY 2014, AOC reduced its injuries and illness rate by nearly four percent from the prior year.

The Sustainability and Energy Division manages the performance phase of these contracts to include measurement and verification. With the completion of the ESPC projects, future energy savings will be more difficult and expensive to achieve.

*AOC received a regional energy award "For Accomplishments on Developing, Organizing, Managing and Implementing an Outstanding Corporate Energy Management Program" at the Association of Energy Engineers' World Energy Engineering Congress in October 2013.*

AOC's programs to make Capitol Hill more energy-efficient underscore environmental impact, life-cycle cost savings and improved performance. AOC tracks performance using advanced metering and equipment trending, employs energy audits and retro-commissioning, provides technical design guidance and facilitates working groups and training to ensure that the energy savings persist. This year, AOC prioritized energy conservation measures—ranging from electrical and mechanical system improvements to energy awareness training and events. AOC also partnered with the Association of Energy Engineers to benefit from the ongoing education and certification programs they offer in 10 technical areas.

To continue addressing energy stewardship and sustainability, AOC initiated several major energy saving projects. The Sustainability Framework Plan, included in the draft CCMP, outlines AOC's long-term energy reduction strategies.

AOC publishes an annual *Sustainability, Energy and Water Conservation Report* on its progress on meeting yearly efficiency goals as well as its further commitments to sustainability and water efficiency. The latest report is available online at: [www.aoc.gov/sites/default/files/documents/basic-page/fy13-Annual-Report-FINAL\\_0.pdf](http://www.aoc.gov/sites/default/files/documents/basic-page/fy13-Annual-Report-FINAL_0.pdf).

## Physical Security of Facilities

**Key Challenge:** AOC is responsible for the maintenance, care and operation of buildings, grounds and security enhancements supporting the U.S. Capitol Police (USCP), wherever located, the Alternate Computer Facility and other AOC operations involving security of the congressional community and its visitors. In addition, AOC provides security support around Capitol Hill for more than 20 special events each year, including the Memorial Day and Fourth of July concerts, which are held on the West Front of the Capitol. The challenge in today's security environment is safeguarding the facilities from threats such as terrorist attacks and violent crimes, as well as natural disasters and cyber-attacks, without compromising the ability for visitors to experience some of the richest of the nation's historic treasures. Recent incidents highlight the unique physical security challenges that exist on Capitol Hill. Both incidents, a police chase that entered Capitol Hill and a shooting incident at the nearby Navy Yard, pushed the campus into lockdown.

AOC's security responsibilities are increasingly challenging to carry out in a constrained budget environment. With responsibilities that include continuity of operations planning, critical infrastructure protection, congressional continuity support, external emergency management, employee and contractor adjudication and suitability, and other sensitive security programs, AOC must adapt to meet the challenge of protecting the U.S. Capitol, the Supreme Court and other government buildings. Further, in an environment of constantly evolving security threats, AOC's role in security and resilience continues to grow and evolve. For example, new mission requirements for AOC include support for the Continuity of Government and Reconstitution, in furtherance of Congressional National and Mission Essential Functions. AOC must meet stringent safety, security and accessibility obligations at facilities that remain open for visitors and conducive to congressional operations. Successfully balancing these responsibilities in a constrained budget environment remains a key challenge.

**AOC Initiatives:** AOC is dedicated to ensuring the security of its facilities and providing a safe and secure environment for Congress, the Supreme Court, staffs and visitors to the U.S. Capitol. AOC has taken several steps during FY 2014 to improve the security of its many facilities for those who work in and visit the buildings and grounds under its care.

The agency takes great care to not only balance the costs and benefits of security programs, but also to minimize their visibility and intrusiveness into the visitor experience.

AOC increased its levels of information sharing with respect to best practices for addressing security problems. The organization held cross-jurisdictional seminars to standardize and centralize security procedures and provide employees with security training. The Capitol Police Buildings, Grounds and Security jurisdiction continues to coordinate with National Capital Region intelligence and law enforcement agencies to address and identify potential security weaknesses. To ensure continuous improvement in learning and executing best security practices for themselves and their customers, AOC is planning on developing online operational security training for the agency.

In FY 2014, to provide enhanced security across Capitol Hill, AOC, in coordination with the U.S. Capitol Police Board and Congress, fully implemented the Radio Modernization project. This project converted an antiquated USCP radio system to a modern, digital system, allowing interoperability with other law enforcement entities. The installation of radio infrastructure improvements on the Capitol grounds enhanced the system's coverage and reliability across the campus for improved security and emergency preparedness. In addition, as a result of recent campus incidents, the USCP worked with the Capitol Police Board to reassess and modify screening procedures in the House Underground Garages.

To meet its new mission requirements in the near-term, AOC will provide planning and preparedness, operations and maintenance, upgrades oversight and support of off-campus facilities and other resilience functions. In the long-term, the draft Capitol Complex Master Plan has many recommendations for AOC such as undertaking a study to improve screening facilities to allow for improved security measures without impacting the visitor experience. Another possibility is to differentiate visitor and staff entrances to minimize the burden on police and make the queues shorter at the primary entrances. Currently, "Staff Only" entrances are not used extensively. Last, in a modern world environment where cyber security is a very real concern, AOC is taking strides to address both infrastructural cyber security weaknesses and the need to increase employee awareness of the possibility of virtual security breakdowns.

### Workplace Safety and Health

**Key Challenge:** As steward of Capitol Hill, AOC is responsible for ensuring that safety and health standards are met for those who work at or visit the U.S. Capitol. Meeting this responsibility while balancing operational needs, complying with applicable regulations, preserving the historic integrity of the facilities, maintaining access for the public



### In Focus

## Cannon House Office Building Renewal Project

The 1908 Cannon House Office Building, the oldest Congressional office building on Capitol Hill, is occupied by members of the House of Representatives and their staffs. This century-old building and many of its systems have never undergone a comprehensive modernization. As a result, it faces serious safety, health, environmental and operational issues that are worsening. Over the last several years, the building has experienced plumbing leaks and dislodged chunks of decorative stone from the building exterior. Without action, the essential systems will continue to fail, impacting Members, staff and constituents.

To address these urgent problems and to ensure the Cannon Building provides an effective congressional workplace into the next century, a top-to-bottom, phased building renewal is scheduled to begin after the 2014 election. The project includes stone preservation, roof replacement and repairs to key systems such as heating, plumbing, fire and life-safety, accessibility and structural integrity. The project will be executed while the building remains substantially occupied, with certain support offices and committee staff relocated to the Ford House Office Building or the Thomas P. O'Neill, Jr. Federal Building. When complete, the renewal will improve the building's functionality, making it more efficient, comfortable and safe, while retaining its historic grandeur.

The renewal is scheduled to take approximately 10 years, with the duration of each of five phases aligned with the Congressional office move cycles. While construction will take place throughout, its noisiest activities will occur after business hours. The project is budgeted at \$752.7 million—the AOC's largest thus far—with allocations for planning, design, construction, management, furniture, information technology, security equipment and swing space build-out and moves. In FY 2014, site preparation began. The project is expected to be completed by 2025.

More information is available at  
[www.aoc.gov/cannon-renewal-project](http://www.aoc.gov/cannon-renewal-project).



and employees of these office buildings, and meeting unique security requirements of Capitol Hill is a significant management challenge. Managing the safety and health risks for the complex as a whole must be balanced with other high priority requirements and our limited funds.

Coupled with these issues, AOC tracks findings and recommendations from multiple sources, including internal inspections, construction and design reviews, Office of Compliance inspections and third-party audits. Existing AOC data systems do not facilitate the tracking and sharing of information as findings progress from design, through construction and operational phases. Improving the agency's safety information management is a related key challenge.

**AOC Initiatives:** The safety of Capitol Hill employees, building occupants and visitors remains a top priority. AOC's philosophy of *People First, Safety Always* sets the tone for its commitment to ensuring safety within its facilities and on the Capitol grounds. In FY 2014, AOC reduced its injury and illness rate to 2.95 per 100 employees, a four percent decline (similarly, the Lost Time Case Rate decreased to 1.37 per 100, a 29 percent reduction). The six-year trend for these rates is shown in **Figure 20**. This decline may be attributed to multiple initiatives.

To provide a safe environment, AOC is standardizing and coordinating operational best practices, integrating safety into everything it does. During FY 2014, AOC undertook an initiative that focused on engaging first-line supervisors and employees to conduct work observations and coach one another through "see something, say something" interactions. As a pilot initiative, three jurisdictions participated in the AOC Safety Observation and Reflection Process, a behavior-based safety program that involved over 140 employees, including supervisors and managers.

In addition, AOC fully engaged all major facilities and conducted a comprehensive fire code inspection and audit of fire protection system maintenance records. More than 20 facilities were found to be in significant compliance with operational fire codes and recommendations were entered into a findings database to track future enhancements.

AOC also undertook several training initiatives to reinforce safety, fire, environmental and emergency preparedness. This included expanding hazardous material spill training, developing a related certification process and conducting a multi-jurisdictional emergency exercise for second and third shift staff. The exercise improved awareness of appropriate actions during an emergency and highlighted areas for improvement in communications, training and equipment.

Safety continues to be a top criterion when planning and allocating funds for capital projects. In FY 2015, AOC will continue providing proactive customer support to ensure the safety, health and compliance of AOC operations and projects that include timely and safe access of the Cannon Renewal, Refrigeration Plant Revitalization and Cogeneration projects.

Looking ahead, upcoming safety policy and planning improvements include finalizing and implementing a new policy on Incident Reporting, Investigation and Recordkeeping; developing a Polychlorinated Biphenyl Management Plan that identifies their risks in construction materials and recommended actions; and developing an Ozone Depleting Substance Management Plan.

To integrate safety, fire protections, environmental compliance and emergency preparedness considerations into operations, AOC will develop and implement a SharePoint Incident Investigation Management System reporting tool across the agency and develop and implement a

SERVE • PRESERVE • INSPIRE

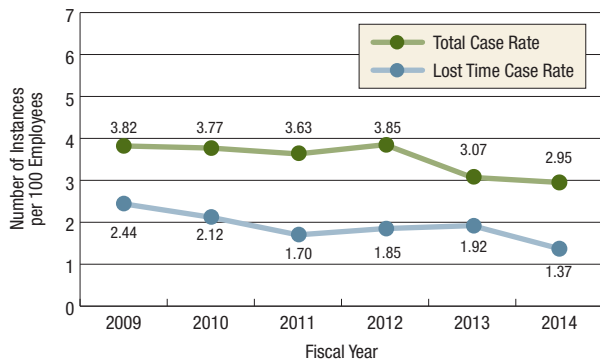


## Eric Schmidt

Fire Protection Engineer, AOC Safety, Fire, and Environmental Programs

Eric Schmidt, Fire Protection Engineer, is responsible for developing and managing AOC's Fire Inspection Program. At the AOC, he has been instrumental in awarding new fire protection support contracts and transitioning work to new contractors to ensure continuity of AOC Fire Marshal operations. Eric never hesitates to drop what he is doing nights and weekends to support emergencies and weekend operations at AOC. Twice this year he responded after hours to emergencies at the U.S. Botanic Garden and Library of Congress.



**FIGURE 20: Injuries and Illnesses Rate**

comprehensive, SharePoint-based asbestos Inventory Management and Permit Control System.

One of the ways to achieve a safe and healthy environment is to ensure AOC employees are fit for duty. Increased fitness for duty will lead to decreased workplace injuries and lower workers' compensation costs. Currently, to assist employees, AOC conducts a number of in-house wellness workshops (e.g., on topics such as back safety) and provides free seasonal flu vaccinations in health units on campus. AOC also seeks to establish a Fitness for Duty Program.

In addition, most AOC jurisdictions have dedicated jurisdictional safety specialists to ensure a safe work environment. Meeting the diverse technical and programmatic safety needs of the agency and its employees continues to be a significant challenge. Meeting these requirements is even more challenging under a fiscally constrained environment. AOC remains dedicated to meeting this challenge and ensuring it places people first and practices safety always.

### Management of Concurrent Projects

**Key Challenge:** Over the past 220 years, AOC's facilities inventory has expanded to include over 17.4 million square feet of facility space—including many landmark historic buildings. Due to the age of its facilities, Capitol Hill has developed many critical, long-term infrastructure needs. To address the construction and preservation requirements across the Capitol campus, many of AOC's major restoration projects are being performed concurrently. These projects include the ongoing U.S. Capitol Dome Restoration, Cannon House Office Building Renewal, West Refrigeration Plant Revitalization, Cogeneration Plant and a number of building exterior stone repair projects. From a managerial perspective, a significant challenge of these projects, in addition to their size and complexity, is that they are being worked on at

the same time. Coordination and collaboration among the project teams is key. AOC's executive leadership recognizes that, to be successful, the agency must focus on ensuring that all of the projects remain on schedule and on budget. At the same time, the overall impact of numerous ongoing projects must not impact the functionality of Capitol Hill as a whole. AOC understands it needs to balance this additional workload with needs of its employees and its customers—Members of Congress and the visiting public.

**AOC Initiatives:** With Congress' support, and that of the American people, AOC has been provided with the resources necessary to make critical investments needed to preserve and maintain our national treasures. The FY 2014 Legislative Branch appropriations bill allocated \$602 million to the AOC, giving the agency approximately \$67 million above FY 2013 enacted levels, and included investments of \$15.9 million for the next phase of the Capitol Dome Restoration Project and \$70 million for the House Historic Buildings Revitalization Trust Fund. AOC understands that, with the resources in hand to begin several major projects, there comes increased scrutiny and the expectation of transparency. AOC has several efforts underway to address this stewardship challenge.

To ensure that funds are used efficiently and effectively, AOC uses formal risk management and mitigation practices to identify the risks the organization faces and the best approach to managing them. Efforts are underway to study the benefits of pairing its Internal Control Program and Risk Management Program to analyze internal and external risks and develop a management strategy to effectively manage those risks while fulfilling AOC's mission, goals and objectives.

In addition, the Government Accountability Office (GAO) conducted a March 2014 study (GAO-14-333) to ensure that AOC follows leading project management practices and uses reliable project cost estimates. While AOC management has a systematic, thorough and independent cost estimating process that produces reliable estimates, the agency has begun incorporating recommended best practices that are cost-beneficial and may make its cost estimates stronger as well as provide additional precision when setting contingency amounts.

Additionally, AOC has been working on a long-term, integrated draft Capitol Complex Master Plan to aid in planning, developing and prioritizing future capital projects within a comprehensive framework. This draft document embodies a vision of Capitol Hill's needs and how those needs might be met within a 20-year planning horizon. It will be AOC's master blueprint for prioritizing projects in contention for future investments.





The AOC is committed to the preservation and stewardship of the national treasures under its care. The AOC is responsible for the vigilant stewardship of more than 30 buildings and leased spaces located principally on Capitol Hill and the care, maintenance and preservation of a number of heritage assets.

AOC continues to use disciplined program management tools and techniques to ensure multiple projects are effectively coordinated. In that regard, AOC has planned for the phasing of a number of its large-scale projects to better manage the time and resources needed to complete them. These project plans help determine that the completion date of each project phase is reasonable. AOC uses an internal monitoring and tracking system to assess each project's progress. Examples of some of the major construction projects completed in FY 2014 include the Supreme Court West Facade Restoration, West Refrigeration Plant Revitalization Phase 1, U.S. Capitol Police Radio System and numerous fall protection safety improvements.

AOC reports project progress on its website to keep the public informed about what is completed, ongoing and planned. These updates increase accountability, communication and transparency into AOC's operations and ensure that the agency's stakeholders understand the AOC's mission and why these projects are so vital. Project updates are available at: [www.aoc.gov/projects/list](http://www.aoc.gov/projects/list).

## **Management Assurances and Other Financial Compliances**

### **Implementation of the Federal Managers' Financial Integrity Act**

AOC's leadership is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act (FMFIA). The FMFIA requires agencies to establish internal control and financial systems and provide reasonable assurance that the following objectives are achieved: effective and efficient operations, compliance with applicable laws and regulations, and financial reporting reliability. The FMFIA requires agencies to provide an annual statement addressing internal accounting and administrative controls and to perform ongoing evaluations and reporting of the adequacy of the controls within the agency.

As a Legislative Branch agency, AOC is not subject to the requirements of FMFIA. AOC nonetheless considers internal control to be an integral part of the systems and processes it uses to manage its daily operations in support of its strategic goals and objectives. AOC holds its managers accountable for efficiently and effectively performing their duties in compliance with applicable laws and regulations and for maintaining the integrity of their activities through the use of internal control.

Within AOC, the AOC Chief Financial Officer (CFO) is responsible for the operation of the Internal Control Program. An Internal Control Manager assists the CFO design, implement, monitor and modify an organization-wide program that follows the principles of OMB Circular No. A-123, *Management's Responsibility for Internal Control*. Key processes in the program include performing a preliminary risk assessment, addressing material weaknesses and significant deficiencies and implementing corrective actions. The program sets forth a customized Internal Control Program for managers to assist in monitoring and assessing controls within their specific areas of responsibility.

AOC's organizational structure for internal control oversight includes two oversight committees. The Senior Management Council (SMC) is long-term oriented and forward-thinking about internal control, risk management and missed strategic opportunities. This body is primarily concerned with agency-level exposure to external risks arising from changes in legislation, security concerns and acts of nature.

At the same time, the Senior Advisory Team (SAT) assists the SMC in fulfilling AOC's fiduciary responsibilities by overseeing the daily operations of internal controls. The SAT's management plan addresses risk concerns that are assigned by the SMC and is also responsible for ensuring compliance with legal and regulatory matters that may have an operational or financial impact; providing advisory recommendations to the SMC to improve AOC's business and financial processes; ensuring the integrity of AOC's financial statements; and managing remediation plans to their conclusion.

In FY 2014, AOC leveraged prior year efforts and continued developing a comprehensive risk-based Internal Control Program across the organization. Key efforts included beginning the re-write of internal control policy, updating internal control documentation, creating a procedure implementation manual, and developing a training syllabus to frame a management training program.

Based on the results of its Internal Control Program, for FY 2014, AOC provides reasonable assurance that the current internal control designs effectively mitigate existing risks (see the Architect's annual FMFIA Statement of Qualified Assurance on the following page).

Although AOC has made good progress, more work remains to be done. Efforts are underway to strengthen and expand the program to ensure controls are integrated and that standardized procedures for monitoring and testing are in place. Furthermore, AOC continues to study the benefits of pairing the Internal Control Program with a comprehensive risk management program. The risk management program will include an analysis of internal and external risks throughout the organization and will cover all activities and processes that contribute to fulfilling AOC's mission, goals and objectives. This is a long-term effort and will be researched in tandem with the Internal Control Program to avoid redundancies.

A summary of the management assurances is provided in *Section IV: Other Information*. For additional information on the opportunities and challenges facing AOC in the internal control area, refer to "The AOC Inspector General's Statement of Management Opportunities and Performances Challenges," also located in Section IV of this report.

## Summary of Material Weaknesses and Significant Deficiencies

At the close of FY 2014, AOC had no material weakness and three significant deficiencies. The complete text of the independent auditors' reports are included in *Section III: Financial Information*.

### Material Weaknesses Summary

A material weakness is defined as a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. In FY 2014, for the second consecutive year, AOC did not have any material weaknesses resulting from its annual audit.

### Significant Deficiencies Summary

A significant deficiency is defined as a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance. This year, AOC had three significant deficiencies related to: ineffective control over accounting for the Fairchild Building lease renewal; untimely contract closeouts and liquidation of obligations; and improper recording of costs associated with leasehold improvements in the Thomas P. O'Neill, Jr. Federal Building. Management has identified steps to strengthen its processes and controls and address these audit issues.



## ARCHITECT'S FMFIA STATEMENT OF ASSURANCE

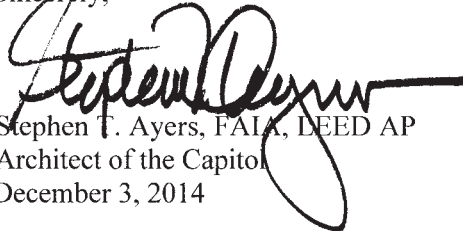
The management team of the Architect of the Capitol (AOC) is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). FMFIA established management's responsibility to assess and report on internal control. Specifically, FMFIA requires federal agencies to establish control that reasonably ensure obligations and costs are in compliance with applicable laws; funds, property and other assets are safeguarded against waste, loss and unauthorized use; and revenues and expenditures are properly recorded and accounted for. The FMFIA also requires agencies to annually assess and report on the control that protects the integrity of federal programs and whether financial systems conform to its requirements.

Although the AOC is a legislative branch agency and is not subject to the requirements of FMFIA, the AOC considers internal control to be a critical element of the processes and systems used to manage its daily operations in support of Congress. The AOC embraces FMFIA principles as a best practice for financial management and is fully committed to implementing a program to assess the effectiveness of its Internal Control Program. This year, the AOC demonstrated its continued commitment to maintaining internal control. This control is an integral part of effective agency management that provides reasonable assurance that the following objectives are achieved: effectiveness and efficiency of operations, reliability of financial reporting, and compliance with laws and regulations.

The AOC conducted an assessment of the effectiveness of internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations in accordance with OMB Circular A-123, *Management's Responsibility for Internal Control*. Based on the results of this assessment, the AOC can provide reasonable assurance that its internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations as of September 30, 2014, was operating effectively and its financial systems met the objectives of the FMFIA. No material weaknesses or non-conformances were found in the design or operation of the internal controls.

In addition, the AOC conducted its assessment of the effectiveness of internal control over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations, in accordance with the requirements of Appendix A of OMB Circular A-123. Based on the results of this assessment, the AOC can provide reasonable assurance that its internal control over financial reporting as of June 30, 2014, was operating effectively and met the objectives of the FMFIA. No material weaknesses or non-conformances were found in the design or operation of the internal control over financial reporting.

Sincerely,



Stephen T. Ayers, FAIA, DEED AP  
Architect of the Capitol  
December 3, 2014

Doc. No. 141118-04-01

### Federal Financial Management Improvement Act

The Federal Financial Management Improvement Act of 1996 (FFMIA) requires that federal agencies' financial management systems provide financial data that complies with federal accounting standards, federal system requirements and the U.S. Standard General Ledger (USSGL) at the transaction level. In accordance with OMB Circular A-127 (revised), substantial compliance is achieved when an agency's financial management systems routinely provide reliable and timely financial information for managing day-to-day operations, as well as producing reliable financial statements. AOC substantially complied with the FFMIA for FY 2014. More information about AOC's financial management system is provided below.

### Financial Management Systems Summary

AOC's core financial system centrally accounts for over \$500 million through the processing of approximately 240,000 transactions annually by 255 users (300 user licenses).

**Figure 21** depicts the current system architecture.

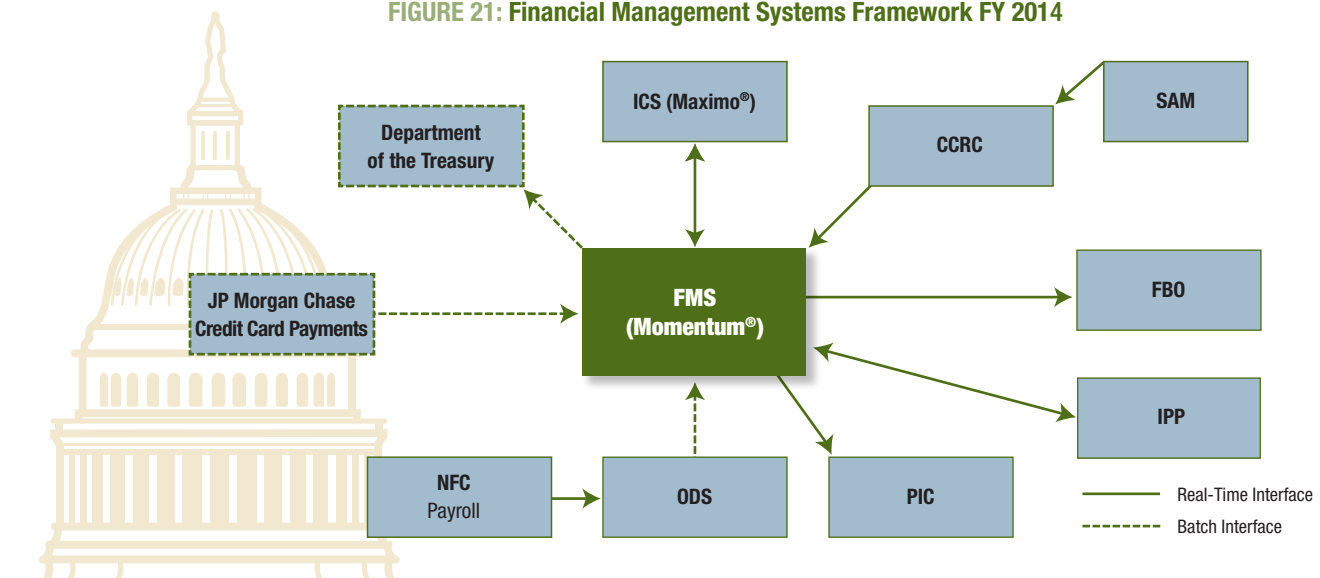
#### Key Financial Reporting Systems

AOC's Financial Management System (FMS) conforms to the requirements of FFMIA. FMS is AOC's core financial system utilizing commercial software (Momentum®) that was built for Federal Government use. It is managed and operated by AOC's Financial Systems Division (FSD). FMS provides the core financial system functionality to AOC that encompasses the following Momentum® modules: Budget Execution, Acquisitions, Purchasing, Receiving, Accounts Payable, Automated Disbursements, Credit Card, Fixed Assets, Workload, Central Contract File, Contract

Closeout and General Ledger. In addition, AOC's key financial and reporting systems include:

- **Capitol Visitor Center Point of Sale System (CVC POS)** is a standalone back office retail inventory management system used to record CVC gift shop sales and inventory transactions.
- **Central Contractor Registration Connector (CCRC)** is a part of Momentum® and provides for the download of the latest vendor information from the System for Award Management (SAM) and directly updates the FMS vendor records.
- **Federal Business Opportunities (FBO or Fed Biz Opps)** is a Web-based portal that allows the Federal Government to post Federal procurement opportunities over \$25,000. Commercial vendors seeking federal markets for their products and services can search, monitor, and retrieve opportunities solicited by the entire federal contracting community. The FMS-FBO interface allows members of AOC's Acquisition and Material Management Division to post announcements and solicitations directly in FMS and the system automatically uploads these to FBO.
- **Inventory Control System (ICS)** is commercial software (Maximo®) used to track AOC's inventory of materials, supplies and accountable property. With 134 users, ICS uses a lifecycle and asset management system and is managed and operated by FSD. FMS obligations, the receipt of transactions and the draw-down of inventories are integrated via batch interfaces.
- **Invoice Processing Platform (IPP)** is a secure Web-based electronic invoicing system provided by the Department of Treasury. IPP allows federal agencies to

**FIGURE 21: Financial Management Systems Framework FY 2014**





simplify the management of vendor invoices and intra-governmental transactions. IPP is interfaced with FMS in real-time; the IPP interface with FMS is managed by FSD while IPP system administration is managed by the Accounting Division.

- **JP Morgan Chase** credit card interface is used to transmit credit card payment data via a batch file to FMS.
- **National Finance Center (NFC)**, as part of a cross-servicing agreement with the Department of Agriculture, provides payroll and personnel services to AOC. Managed by AOC's Human Capital Management Division, payroll transactions are interfaced via a batch file through the Operational Data Store (ODS) to FMS.
- **Operational Data Store (ODS)**, maintained by AOC's Information Technology Division, is AOC's payroll and personnel database and is used as a warehouse for detailed employee payroll information. The ODS receives a batch file of NFC payroll data and creates a batch file of payroll transactions for interfacing to FMS.
- **Project Information Center (PIC)** is an AOC-developed system used to track the status of projects. Budget and obligation data is interfaced from FMS to PIC.
- **System for Award Management (SAM)** was created by the General Services Administration (GSA) to consolidate several legacy acquisition and award support systems into one government-wide system. These legacy systems include Central Contractor Registration (CCR), Federal Agency Registration and others. CCR, the only system within SAM used by AOC, provides information on vendors that do business with the Federal Government.

### Financial Systems Division Strategies

ICS was upgraded to Maximo® version 7.1.1.12 in FY 2014. This minor upgrade was necessary in order to ensure that ICS remains compatible with AOC's approved Microsoft Internet Explorer Web browser version. FSD also successfully converted all the existing USSGL accounts in FMS from four to six digits. This conversion was helpful in eliminating much of the manual work that went into creating some key financial reports generated by the Accounting Division.

Other projects that FSD started in FY 2014 included implementing enhancements to the FMS-IPP interface. These enhancements are necessary to streamline some of the business processes that the Accounting Division accomplishes using IPP. Another project that FSD began in FY 2014 is the FMS Recoveries project. FSD will turn on the Recoveries functionality in FMS, which automatically places funding in a current no-year fund/budget when a de-obligation is processed on an order using a prior no-year fund. This will eliminate the need for the Budget Division to perform a manual carryover transaction before funds can be obligated. Both the FMS-IPP interface enhancements and the FMS Recoveries functionality will be implemented by early FY 2015.

FSD began working with the Library of Congress (LOC) in FY 2014 to start the process of migrating (transferring) the server hosting of both AOC's instances of FMS and ICS to LOC's Legislative Branch Shared Services Center (LBSSC). This migration was mandated by Congress and is expected to continue creating efficiencies by streamlining financial system processes and cutting system

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## Bernard ("Bernie") Warnowicz

Supervisor, AOC Utilities and Power Plant Operations

Bernie Warnowicz is a mainstay at the Capitol Power Plant and embodies the AOC's "Innovative and Empowered Workforce" strategic goal. He has been instrumental in reducing AOC's energy usage and personifies the determination and dedication it takes to maintain and operate the machinery, systems and equipment at the 100 year-old Plant. Bernie is the Instrumentation and Controls Branch Supervisor and maintains the Plant's vital control systems. Armed with tremendous knowledge and expertise, Bernie is usually "one step ahead" and takes the initiative to improve these systems.

upgrade and enhancement costs across Legislative Branch agencies. LOC currently hosts the financial systems of several other Legislative Branch agencies including the Congressional Budget Office, U.S. Capitol Police and the Office of Compliance. It is tentatively expected that FMS and ICS will be fully migrated to the LBSSC environment by early FY 2016.

### Federal Information Security Management Act

The Federal Information Security Management Act (FISMA) requires each Executive Branch agency to develop, document and implement an agency-wide program to provide information security for the information and information systems that support the agency's operations and assets. AOC, as a Legislative Branch agency, is not required to comply with FISMA but, nonetheless, strives to comply with FISMA principles. AOC references sources such as the U.S. Government Accountability Office (GAO) Federal Information System Controls Audit Manual (FISCAM) and the National Institute of Standards and Technology (NIST) Special Publications for guidance on its Information System Security program. AOC uses this guidance to create and maintain a risk-based Information Security program.

In FY 2014, AOC with support from an independent third party, started the reaccreditation of all AOC information systems, previously completed in FY 2013. This effort evaluates the information security controls for AOC systems consistent with AOC policies. Improvements to AOC's continuous monitoring strategy, started in 2013, is based on NIST Special Publication (SP) 800-53.

In FY 2014, AOC improved its information systems security posture by placing a strong emphasis on computer security awareness and training, enforcing procedures and processes for detecting, reporting and responding to security incidents, vulnerability scanning and remediation, patch compliance and continuous monitoring. In particular, AOC achieved 99 percent compliance with security awareness training. Also, AOC monitored the incident response program utilizing internal procedures in conjunction with managed security monitoring and management of its enterprise infrastructure provided by the Managed Security Event and Information Management (SEIM) enterprise security services. The Managed SEIM helps protect AOC against external and internal threats, provides immediate assessment and response to security incidents and adheres to regulatory requirements for log auditing, security and compliance reporting.

AOC's Information Systems and AOC Information System Security programs are evaluated each year through independent assessments and multiple audits. Through these activities AOC improves information system documentation, policies and procedures and mitigates information security risks and weaknesses.

### Improper Payments Information Act

Please refer to *Section IV: Other Information* of this report for a brief summary of the Improper Payments Information Act and its applicability to AOC.

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### Jenna Lemons

Scheduler, Visitor Services Division, U.S. Capitol Visitor Center

Jenna Lemons joined the Capitol Visitor Center (CVC) in January 2014 and has consistently provided "Extraordinary Services" for her colleagues to ensure that the daily schedules of more than 100 frontline employees, including all Visitor Guides and Visitor Assistants, are completed in a timely manner. Ms. Lemons produces schedules that incorporate the myriad demands on the Visitor Services staff, including staffing for special events and special tours. Ms. Lemons accommodates approved employee requests for leave, training, participation in special programs, service on committees or goal teams, and other scheduling requests while never compromising CVC operational efficiency.



## Financial Highlights

**TABLE 11: Financial Statement Summary Data (dollars in thousands)**

BALANCE SHEET: SUMMARY DATA	FY 2014	FY 2013	Percent Change
Fund Balance with Treasury	\$751,158	\$627,490	20%
Investments	36,709	37,356	(2%)
Accounts Receivable, Net	1,710	1,943	(12%)
General Property Plant & Equipment, Net	1,821,230	1,834,061	(1%)
Inventory and Other Assets	1,422	921	54%
<b>Total Assets</b>	<b>\$2,612,229</b>	<b>\$2,501,771</b>	<b>4%</b>
Debt Held by the Public	\$114,213	\$121,143	(6%)
Contingent and Environmental Liabilities	85,056	86,394	(2%)
Workers' Compensation	67,364	67,384	-%
Accrued Annual Leave	17,082	16,198	5%
Capital Lease Liability	7,240	10,339	(30%)
Contract Holdbacks and Other Liabilities	60,926	45,590	34%
<b>Total Liabilities</b>	<b>\$351,881</b>	<b>\$347,048</b>	<b>1%</b>
Unexpended Appropriations	652,858	\$540,149	21%
Cumulative Result of Operations	1,607,490	1,614,574	-%
<b>Total Net Position</b>	<b>\$2,260,348</b>	<b>\$2,154,723</b>	<b>5%</b>
<b>Total Liabilities and Net Position</b>	<b>\$2,612,229</b>	<b>\$2,501,771</b>	<b>4%</b>
STATEMENT OF NET COST: SUMMARY DATA	FY 2014	FY 2013	Percent Change
Gross Cost	\$579,472	\$598,229	(3%)
Less: Earned Revenue	(47,631)	(52,752)	(10%)
<b>Net Cost of Operations</b>	<b>\$531,841</b>	<b>\$545,477</b>	<b>(2%)</b>
STATEMENT OF BUDGETARY RESOURCES: SUMMARY DATA	FY 2014	FY 2013	Percent Change
Unobligated Balance Brought Forward	\$427,832	\$387,415	10%
Appropriations*	595,958	524,765	14%
Spending Authority from Offsetting Collections	61,573	47,948	28%
Other Resources (Adjustments)	30,914	21,027	47%
<b>Total Budgetary Resources</b>	<b>\$1,116,277</b>	<b>\$981,155</b>	<b>14%</b>

\* Note: Appropriations, as reported on the Statement of Budgetary Resources, will not necessarily agree with the total enacted appropriations. Differences may result as a result of differences between proprietary and budgetary accounting concepts. In addition, references to total enacted appropriations in this PAR reflect Legislative Branch appropriations only and, as a result, exclude the appropriations for the Supreme Court Building and Grounds jurisdiction.

These financial highlights provide an overview and analysis of the FY 2014 financial statements of the Architect of the Capitol (AOC). The independent auditor, Cotton & Company, audited AOC's Balance Sheets for the fiscal years ending September 30, 2014 and 2013, along with the accompanying Statements of Net Cost, Changes in Net Position and Budgetary Resources. AOC received an unmodified (clean) financial statement audit opinion for the 10th consecutive year.

AOC considers an annual independent audit an integral part of its financial management. An unmodified opinion provides reasonable assurance that the financial statements are free of material misstatement. Reasonable assurance,

while not absolute, is nonetheless a high level of assurance.<sup>6</sup> AOC is proud of its record of producing reliable annual financial statements, but also recognizes that more progress is required to fully adopt best financial practices such as those found in the CFO Act and subsequent federal legislation. Accordingly, AOC is diligently working to maintain seamless financial systems and processes, generate reliable cost and performance information and analyses and undertake other value-added activities that support

<sup>6</sup> The term reasonable assurance includes the understanding that there is a remote likelihood that material misstatements, due to inherent limitations, may not be prevented or detected in a timely manner.

effective internal control, strategic decision making and efficient mission performance.

A summary of key financial data from the AOC's Balance Sheets and Statements of Net Cost and Budgetary Resources is presented in **Table 11**. The complete financial statements and audit reports are presented in *Section III: Financial Information*.

## Guide to the Financial Statements

Federal Government efforts to improve financial transparency and accountability led to the enactment of mandatory uniform accounting and reporting standards for Executive Branch agencies, along with the tools to manage financial resources. Although AOC is a Legislative Branch agency, it has voluntarily implemented policies that comply with the spirit of many Executive Branch requirements as a best business practice. The financial statements and financial data presented herein have been prepared from AOC's accounting records in conformity with generally accepted accounting principles (GAAP). GAAP, for federal entities, are the standards prescribed by the Federal Accounting Standards and Advisory Board (FASAB). To facilitate analysis, AOC presents its financial highlights as follows:

- Overview of Financial Position: Balance Sheet
- Results of Operations: Statement of Net Cost
- Cumulative Overview: Statement of Changes in Net Position
- Investments to Preserve Our National Treasures: Statement of Budgetary Resources
- Other Information: Schedule of Spending
- Limitation of Financial Statements.

## Overview of Financial Position: Balance Sheet

The Balance Sheet provides a snapshot of AOC's financial position at a fixed point in time. The fiscal year-end Balance Sheet displays amounts of current and future economic benefits owned or available for use (Assets), amounts owed (Liabilities) and the residual amounts (Net Position) at the end of the fiscal year.

### Assets

AOC reported on its Balance Sheet total assets of \$2.61 billion at the end of FY 2014. This represents an increase of \$0.11 billion (4.4 percent) over FY 2013 total assets of \$2.50 billion. This increase is primarily due to the \$124 million increase in Fund Balance with Treasury (FBWT). The FBWT increase resulted from additional funds appropriated with passage of the FY 2014 Consolidated Appropriations Act. In addition, FY 2013 offered a low point of comparison as AOC operated under a Continuing Resolution in FY 2013 based on FY 2012 funding levels that included budget reductions related to sequestration and a rescission.

## Introducing the Principal Financial Statements

### Balance Sheet

Provides comparative information on AOC's Assets, Liabilities and Net Position (Unexpended Appropriations and Cumulative Results of Operations). Net Position represents the Net Investment of the U.S. government in AOC's Assets less Liabilities.

### Statement of Net Costs

Provides the comparative gross costs incurred by responsibility segment (AOC jurisdiction), net of any exchange or earned revenue from activities. Exchange revenue includes income from steam and chilled water provided to governmental or private entities, gift shop sales, recycling and others. The net cost of operations is prepared on the proprietary basis of accounting and, unlike budgetary accounting, includes costs of services provided by other entities, accruals and non-cash expenses such as depreciation and amortization.

### Statement of Changes in Net Position

Provides, on a comparative basis, the beginning Net Position, the transactions that affected Net Position during the period and the ending Net Position.

### Statement of Budgetary Resources

Presents comparative information on the budgetary basis of accounting, including how budgetary resources were made available and their status at the end of the period.

**Figure 22** summarizes FY 2014 total assets by component. AOC's distribution of assets remains largely unchanged from FY 2013. Property, Plant and Equipment (PP&E) remains AOC's largest asset class, representing 69.7 percent of total assets. PP&E, net of accumulated depreciation, equaled \$1.8 billion at fiscal year-end and decreased

**FIGURE 22: Summary of Total Assets**

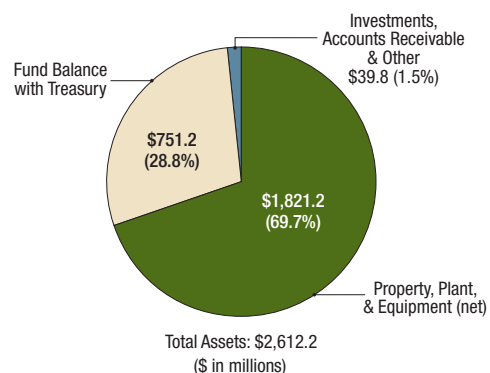
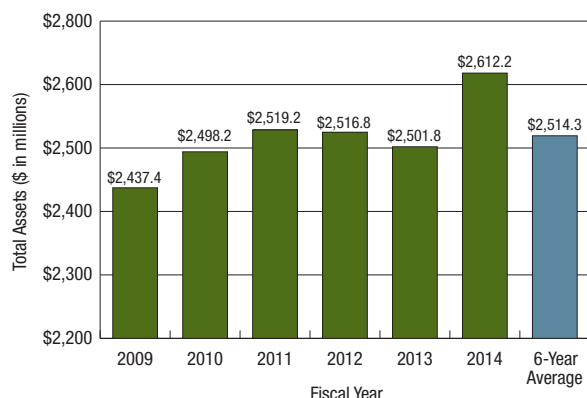




FIGURE 23: Trend in Total Assets



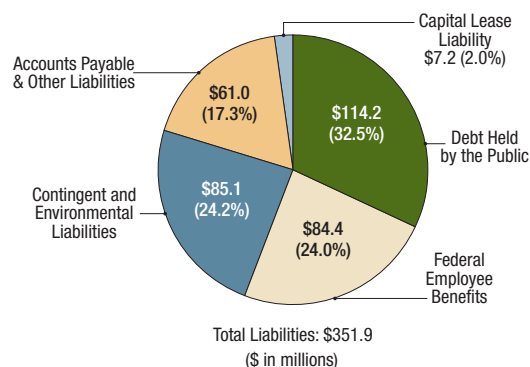
slightly from FY 2013. The second largest asset class is FBWT, at \$751 million as of September 30, 2014, or 28.8 percent of AOC's total assets. When grouped together, FBWT and PP&E comprise 98.4 percent of AOC's total assets for both FY 2014 and FY 2013.

The remainder of AOC's assets is comprised of investments, accounts receivable, inventory held for sale in the CVC gift shops and other asset categories. Investments are composed of two primary instruments: the Capitol Visitor Center Revolving Fund held with the U.S. Treasury (\$10 million) and an escrow balance held with the public related to the Thurgood Marshall Federal Judiciary Building (\$27 million). Total investments equaled \$37 million, representing little change from FY 2013.

The annual trend in AOC's total assets for FY 2009 through FY 2014 is presented in **Figure 23**. AOC's total assets have increased by 7.2 percent, or \$175 million, since FY 2009. This increase is principally the result of a \$248 million increase (49.5 percent) in the Fund Balance with Treasury. This increase corresponds to the establishment of the House Historic Buildings Revitalization Trust Fund in FY 2010 to help fund expensive construction projects for historic buildings of "icon" status, such as the Cannon House Office Building.

In accordance with the Statement of Federal Financial Accounting Standard (SFFAS) No. 29, *Heritage Assets and Stewardship Land*, the Balance Sheet does not include heritage assets. Heritage assets are unique PP&E that are generally expected to be preserved indefinitely. As such, they are required to be carried at a zero dollar amount. Heritage assets and stewardship land have either historic or natural significance, are of cultural, educational or artistic importance or have significant architectural characteristics. AOC maintains a large number of heritage assets, including artwork, architectural features, reference and library materials, historic records and living assets such as plant inventories at the U.S. Botanic Garden. An exception to this reporting standard is for multi-use heritage assets (i.e., those

FIGURE 24: Summary of Total Liabilities



heritage assets which are primarily used for general government operations). The U.S. Capitol, House and Senate office buildings, the Supreme Court and Thomas Jefferson Building of the Library of Congress are all examples of multi-use heritage assets and included in AOC's PP&E. See the *Required Supplementary Information* for further detail.

### Liabilities

As of September 30, 2014, AOC's total liabilities amounted to \$352 million, a \$5 million or 1.4 percent increase from the previous fiscal year (\$347 million). This increase is primarily the result of a \$16.9 million accrual in FY 2014 to recognize the estimated value of work performed by GSA for the refurbishment of the Thomas P. O'Neill, Jr. Federal Building. **Figure 24** provides the FY 2014 total liabilities by component. Debt Held by the Public continues to be the largest component of total liabilities (32.5 percent). It is the result of 30-year Certificates of Participation sold to finance the construction of the Thurgood Marshall Federal Judiciary Building and equaled \$114 million at the end of FY 2014. Liabilities for Federal Employee Benefits amounted to \$84 million. This includes the liabilities associated with the Federal Employees' Compensation Act (FECA) (\$67 million) and Accrued Payroll and Annual Leave (\$17 million), which includes salaries and wages earned by employees but not yet disbursed.

The annual trend in total liabilities for FY 2009 through FY 2014 is presented in **Figure 25**. Since FY 2009, AOC's total liabilities have increased by 6.5 percent, or \$22 million, an increase which roughly corresponds to the percentage increase in annual appropriations for operations over this same time period.

### Results of Operations: Statement of Net Cost

The Statement of Net Cost presents AOC's net cost of operations by reporting segment (jurisdiction) for fiscal years 2014 and 2013. Net cost includes total costs less all revenues attributed to and permitted to be offset against those costs. AOC's main revenue sources are from providing

FIGURE 25: Trend in Total Liabilities

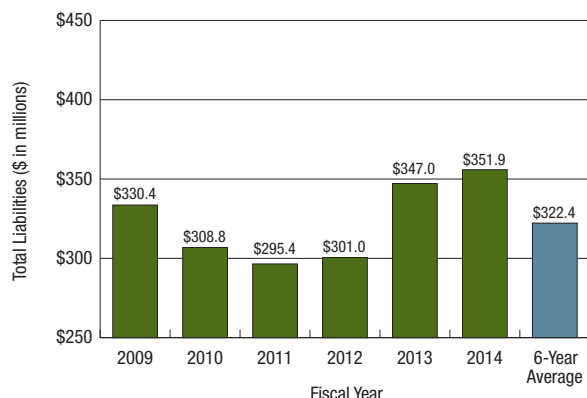
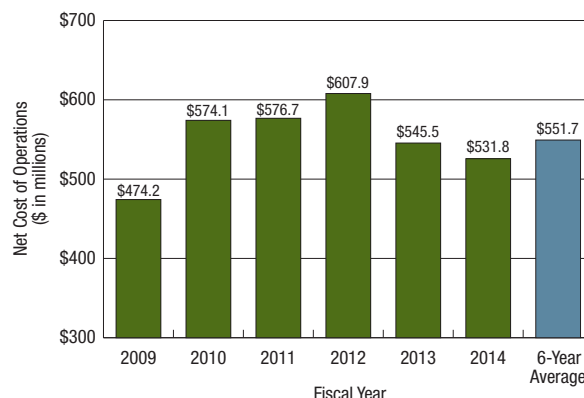


FIGURE 26: Trend in Net Cost of Operations

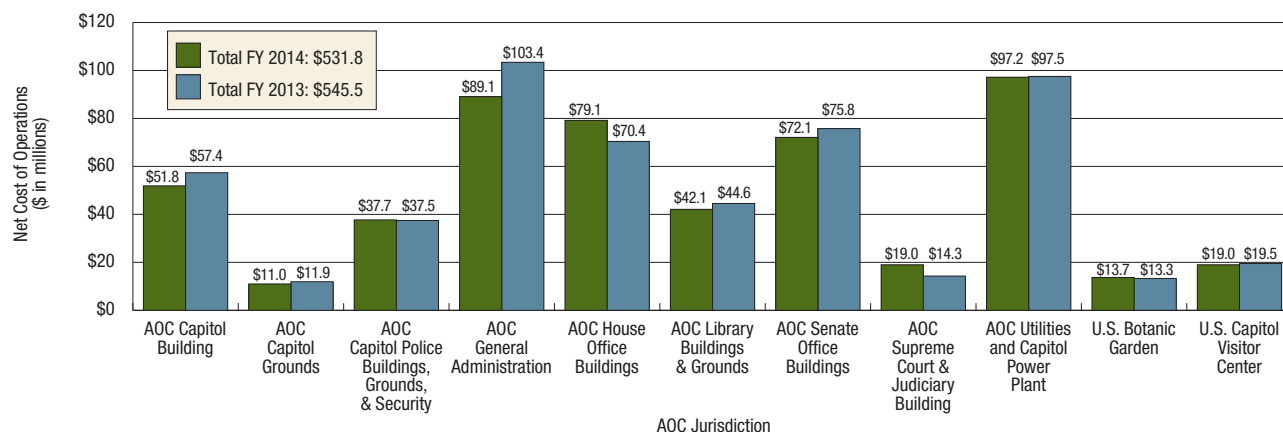


steam and chilled water to non-Legislative Branch entities near Capitol Hill, reimbursements for Supreme Court facility maintenance costs, rent from the Administrative Office of the U.S. Courts in the Thurgood Marshall Federal Judiciary Building and CVC gift shop sales. The net cost of operations in FY 2014 for AOC totaled \$531.8 million, a decrease of \$13.6 million or 2.5 percent from FY 2013 primarily due to decreased revenues on reimbursable projects and decreased operating, program and payroll costs and absorbing of mandatory sequestration cuts.

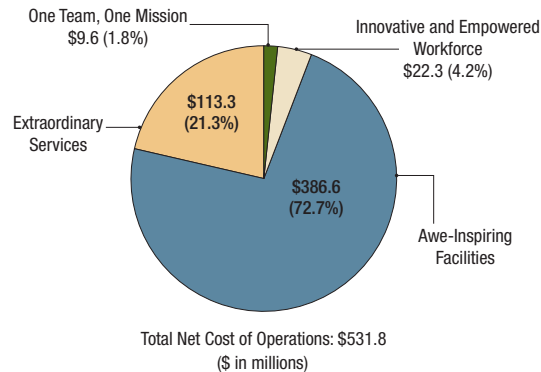
The six-year trend in AOC's net cost of operations from FY 2009 through FY 2014 is presented in **Figure 26**. The 12.1 percent increase since FY 2009 reflects the costs associated with AOC's new mission areas such as CVC visitor services operations, new program areas such as energy savings and sustainability, as well as the rise in utility rates, the increased cost of construction materials and other increases that have added to the higher cost of day-to-day operations.

A comparison of AOC's total net cost by jurisdiction for FY 2014 and FY 2013 is displayed in **Figure 27**. Material decreases, year-over-year, were seen in the AOC General Administration and the AOC Capitol Building jurisdictions. General Administration decreased by \$14.3 million (13.8 percent) due to decreased operating and payroll costs. The AOC Capitol Building's net cost of operations decreased by \$5.5 million (9.6 percent) due to the capitalization of costs associated with the acquisition of property, plant, and equipment (including indirect costs for assets constructed). Increases were seen in the AOC House Office Buildings and the AOC Supreme Court Building and Grounds jurisdictions. The AOC House Office Buildings' increased by \$8.6 million (12.3 percent) due to an increase in their operating and payroll expenses. The AOC Supreme Court Building and Grounds' costs increased by \$4.7 million (32.8 percent) due to increases in operating and program costs.

FIGURE 27: Summary of Net Cost of Operations by AOC Responsibility Segment





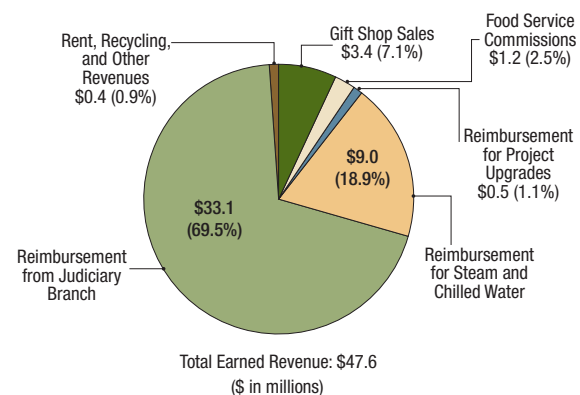
**FIGURE 28: Net Cost of Operations by Strategic Goal**

### Resources Used to Achieve Strategic Goals

To accomplish its mission, AOC's Strategic Vision identifies four strategic goals. **Figure 28** displays the breakdown of the agency's cost expenditures by strategic goal for FY 2014. AOC utilizes an activity-based cost framework to obtain the cost per goal. Under this framework, a series of cost accounting codes are used to record direct labor, material and contract costs. All direct costs are cross-walked to its respective goal. Indirect costs are assigned to an overhead pool and allocated among the four goals to arrive at the total cost per strategic goal.

The significant majority of AOC's expenditures 94.0 percent) were attributed to achieving Strategic Goal 3—*Awe-Inspiring Facilities* (72.7 percent) and toward Strategic Goal 4—*Extraordinary Services* (21.3 percent). These areas form the core of AOC's mission to serve the Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences for its visitors. The remainder of the agency's resources was devoted to achieving Strategic Goals 1 and 2 (*One Team, One Mission* and *Innovative and Empowered Workforce*)—support goals that help AOC implement the business practices necessary to accomplish its mission effectively and efficiently. Though only a small portion of its resources are committed to Strategic Goals 1 and 2, AOC management believes these expenditures are critical to forming a culture of teamwork and innovation.

In its FY 2014 budget cycle, AOC continued to refine a zero-based budget philosophy, strategy and process to develop its budget requirements. In efforts to anticipate future funding challenges, the AOC significantly changed how it prioritized spending requirements, and developed payroll tools, analyzed efficiencies, and strategies to prepare for impending budget impacts such as a year-long continuing resolution. AOC also used effective costing methodologies and project justifications to focus on

**FIGURE 29: Earned Revenues by Source**

investing limited resources and prioritizing projects and programs to address its most pressing obligations. In conjunction with judiciously requesting funding for those projects that were most urgent, AOC continued to capitalize on cost avoidance measures implemented in recent years.

### Earned Revenues by Source

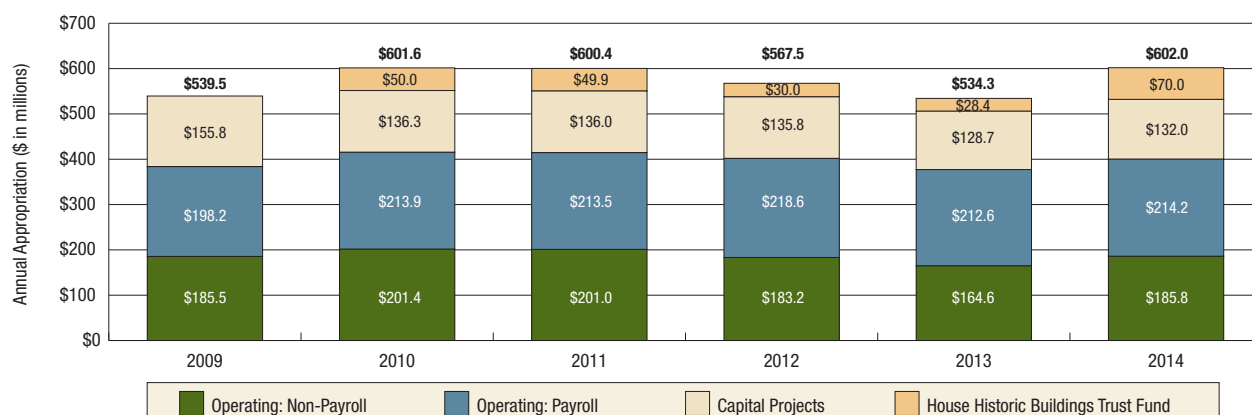
Two of AOC's major sources of revenue for the fiscal year ending September 30, 2014 are intra-governmental reimbursements from the Judicial Branch for facility operations in the Supreme Court and Thurgood Marshall Federal Judiciary Building (\$33.1 million) and reimbursements to the AOC Utilities and Capitol Power Plant for steam and chilled water (\$9.0 million). These amounts account for over 88 percent of AOC's total earned revenues. The remainder of earned revenues is comprised of sources that are earned year-to-year and are depicted in **Figure 29**.

CVC gift shop sales and food service commissions, along with rent and recycling proceeds from across Capitol Hill make up the majority of these other revenue categories. AOC is permitted to invest the recycling program proceeds into programs or activities to improve the environment or promote energy savings through its Recycling Program Revolving Fund. In FY 2014, Congress passed legislation to extend this fund from a limited five-year life to a fund with an indefinite life.

### Cumulative Overview: Statement of Changes in Net Position

The Statement of Changes in Net Position identifies all financing sources available to, or used by, AOC to support its net cost of operations and also identifies the net change in its financial position. Net position is the sum of two components: Cumulative Results of Operations

FIGURE 30: Trend in Annual Appropriations



Note: Excludes Supreme Court Building and Grounds (included in the Judiciary Branch appropriation).

and Unexpended Appropriations. Each component is displayed separately to facilitate more detailed understanding of the changes to Net Position as a whole. AOC's Net Position at the end of FY 2014 on the Balance Sheet and the Statement of Changes in Net Position was \$2.3 billion, a \$106 million (4.9 percent) increase from the prior fiscal year. The change primarily resulted from the increase in total assets, primarily the Fund Balance with Treasury account. This corresponds to the increase in appropriations received in FY 2014 and a decrease in other adjustments related to rescissions and the sequestration.

### Investments to Preserve Our National Treasures: Statement of Budgetary Resources

The Statement of Budgetary Resources (SBR) provides data on how AOC obtained its budgetary resources and the status of these resources at the end of the fiscal year. This statement displays the key budgetary equation (Total Budgetary Resources equals Total Status of Budgetary Resources), which provides information on the status of AOC's congressional spending authority.

With Congress' support, and that of the American people, AOC is making the long-term investments necessary to preserve and maintain the national treasures entrusted to its care. AOC develops its budget request by prioritizing projects that will allow it to be good stewards of the buildings and grounds under its care, as well as taxpayer dollars. AOC's appropriations consist of two components: an operating budget component and a capital projects budget component. Separate appropriations are enacted for each of AOC's jurisdictions. Operating budgets fund the day-to-day operations of all AOC jurisdictions. Payroll, at \$214.2 million, is the largest single component of AOC's operating budget, representing just over 35 percent of AOC's total FY 2014 budget. Other operating expenses

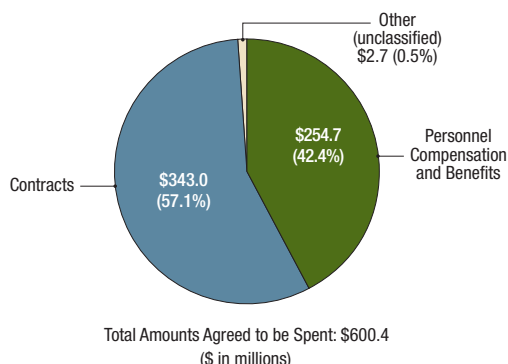
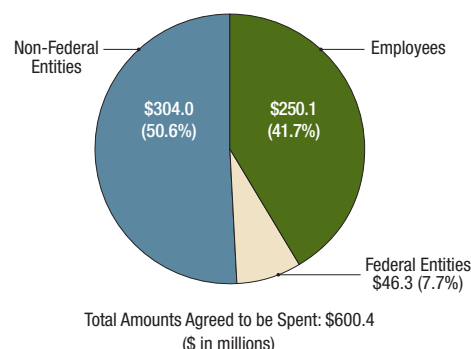
include equipment, utilities, supplies and general support contracts. The capital projects budget includes funds for construction, upgrades, improvements and preservation of the facilities under AOC's stewardship. **Figure 30** shows the breakout of AOC's FY 2014 appropriations over the last six years. AOC's FY 2014 appropriations level reflects a \$67.7 million increase from FY 2013 in order to fund essential projects that protect and promote the safety and health of those who visit and work in Capitol Hill, including deferred maintenance projects. Included in AOC's total appropriations for FY 2014 is \$70 million for the Historic Buildings Revitalization Trust Fund to maintain historically significant structures across Capitol Hill and \$16 million to continue the next phase of the Capitol Dome Restoration Project.

Congress created the House Historic Buildings Revitalization Trust Fund in FY 2010 to help fund the cost of the revitalization projects on AOC's major historic buildings and assets. Despite AOC's progress over the last several years in identifying and prioritizing its deferred maintenance priorities, many historic buildings continue to require significant funding for maintenance and refurbishment. Current resource levels have been insufficient to address both the existing and new facility maintenance issues for which AOC is responsible. For more information on this daunting challenge, please refer to *Management Challenges and Looking Ahead* in the MD&A section of this report.

### Other Information: Schedule of Spending

Unlike the Balance Sheet and the related financial statements, the Schedule of Spending is not a required financial statement and, therefore, was not subject to independent audit. Instead, this schedule was created to provide an easy-to-understand illustration of AOC's available funds and how AOC spent those funds. Standard accounting



**FIGURE 31: How Was the Money Spent/Issued?****FIGURE 32: Who Did the Money Go To?**

terms are modified to improve the understanding of common accounting concepts for the general public. For example, the line item labeled *What Money is Available to Spend?* begins with Total Resources, which matches the Total Budgetary Resources line in AOC's SBR. Similarly, the *How was the Money Spent/Issued?* section equals Obligations Incurred in the SBR. The Schedule of Spending is in *Section IV: Other Information* of this report.

**Figure 31** shows how AOC's appropriations were spent in FY 2014, by category. As illustrated, contractual services (57.1 percent) and personnel compensation (42.4 percent) represent over 99.0 percent of AOC's spending. **Figure 32** breaks out AOC's available resources into the federal entities, non-federal entities and employees. As shown, the majority of AOC's available resources (50.6 percent) went to non-federal entities.

### Limitation of Financial Statements

Management prepares the accompanying financial statements to report the financial position and results of operations for AOC pursuant to the requirements of Chapter 31 of the U.S. Code Section 3515(b). While these statements have been prepared from AOC's books and records in accordance with the spirit of OMB Circular A-136, *Financial Reporting Requirements*, GAAP and other applicable authority, these statements are in addition to the financial reports and are prepared from the same books and records used to monitor and control the budgetary resources. These statements should be read with the understanding that they are for a component of the U.S. government, a sovereign entity. One implication is that unfunded liabilities cannot be liquidated without legislation that provides the resources to do so.

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## Angela Reinhardt

Management and Program Analyst, AOC Capitol Building

Angela Reinhardt, Management and Program Analyst, has made a real difference at the AOC Capitol Building jurisdiction. Among her strengths, Angela has the ability to associate technology with accounting principles and honest reporting. Her analysis and reporting activities help AOC use data to provide informed decisions, improve performance, reduce redundancy and develop key performance indicators that link to the agency's Strategic Vision. Angela has the insight to use reports in a persuasive manner that helps change work processes, ensure better documentation and develop a more accurate accounting of work and system operations.



## In Focus

### AOC's General Administration Appropriation

**A**OC oversees a large campus that includes over 17.4 million square feet of facility space and 587 acres of grounds on Capitol Hill, while serving Congress and managing a multitude of projects and public events. While AOC's jurisdictions are each funded by separate appropriations<sup>7</sup>, the General Administration (GA) appropriation centrally funds common operational services supporting AOC jurisdiction's engineering, safety, energy, construction, preservation and business needs. This allows AOC to establish economies of scale that increase efficiency and reduce cost by providing centralized specialized expertise in support of all AOC operations.

Funding for the GA appropriation supports multiple operations and mission support including:

- **Construction Services.** AOC Planning and Program Management's (PPM) Construction Division provides building and site improvements, including construction management and supervision, cost estimating and construction by skilled tradesmen.
- **Curatorial Services.** The Office of the Curator oversees the stewardship of the AOC's invaluable heritage assets located throughout Capitol Hill, including documenting, researching and educating visitors about heritage assets and their preservation.
- **Design Services.** PPM's Design Services Division provides architectural/engineering consulting services related to project delivery.
- **Energy and Sustainability Services.** PPM's Energy, Sustainability, and Water Conservation Services Division manages a sustainability program to develop and implement energy savings initiatives.
- **Facilities Planning and Programming Services.** PPM's Facilities Planning and Programming Division is responsible for capital planning, including Facility Condition Assessments, the Capital Improvements Plan and the Capitol Complex Master Plan.
- **Historic Preservation Services.** The AOC Historic Preservation Officer plays a key role in researching, documenting and evaluating the history of every building, and providing guidance to engineers and architects working to serve the modern needs of the building occupants while preserving the national treasures.
- **Project Management Services.** PPM's Project Management Division is responsible for managing the design and construction of projects in AOC's facilities and provides expertise in the design and construction of new or leased facilities.
- **Safety, Fire, and Environmental Programs.** The AOC Safety, Fire, and Environmental Programs group ensures AOC's compliance with safety, fire and environmental laws and regulations and are AOC's primary point of contact with external regulatory agencies.
- **Technical Support Services.** PPM's Design Services Division is responsible for technical support, including construction specification, master scheduling and computer-aided design.
- **Business Services:** Including information technology, financial management, human resources, inspector general, legal, and procurement.

TOP: AOC's General Administration appropriation supports AOC's engineering, safety, energy, construction, preservation and business needs. GA's Planning and Project Management office plays a significant role in the U.S. Capitol Dome Restoration Project.

<sup>7</sup> The AOC Supreme Court Building and Grounds jurisdiction is reimbursed for their expenditures via the Judicial Branch appropriation. The remaining AOC jurisdictions are funded via the Legislative Branch appropriations bill.





## Section II:

# Performance Information



## Introduction

This section presents the Architect of the Capitol's (AOC's) Fiscal Year (FY) 2014 performance against its strategic goals identified in the *Strategic Vision and Five Year Focus* (covering FY 2012 through FY 2016). It includes the initiatives and underlying strategies AOC undertook in FY 2014 to achieve its strategic goals, along with a detailed report of AOC's FY 2014 performance results.

AOC's Strategic Vision is composed of four strategic goals that support the organization's mission. Each strategic goal contains performance objectives and, underneath each objective, performance strategies. The first two goals focus on promoting a culture of integrity, teamwork and accountability. The final two goals guide the principal

TOP, BOTTOM, and OPPOSITE RIGHT: The former Russell Senate Office Building hearing room (SR-349) renovation project included historic restoration work such as conducting a forensic paint analysis to uncover period-specific paint schemes, as well as repairing failing plaster, abating lead paint, and upgrading fire and life-safety features.





program areas related to operational support, project delivery, preservation of heritage assets and historic structures, and visitor services. AOC uses performance indicators to monitor progress toward strategic objectives. AOC's Strategic Vision is available online at: [www.aoc.gov/sites/default/files/documents/basic-page/AOC-strategic-vision.pdf](http://www.aoc.gov/sites/default/files/documents/basic-page/AOC-strategic-vision.pdf).

For FY 2014, AOC reported on 12 strategic objectives and 18 performance indicators. As shown in **Figure 33**, AOC met performance targets for 10 of the indicators and did not meet performance targets for three indicators. The five remaining indicators (classified as "Other") either did not have quantifiable targets or the performance results were not available at the time of this report's publication.

### AOC Strategic Vision and Five Year Focus

Fiscal Year 2014 represented the third year AOC operated under its *Strategic Vision and Five Year Focus*. The four strategic goals under this vision—*One Team, One Mission*; *Innovative and Empowered Workforce*; *Awe-Inspiring Facilities*; and *Extraordinary Services*—represent AOC's essential elements of success. These goals provide the long-term focus of the organization, whereas the objectives and

## Mission, Vision and Values

### Mission:

To **serve** Congress and the Supreme Court, **preserve** America's Capitol and **inspire** memorable experiences.

### Vision:

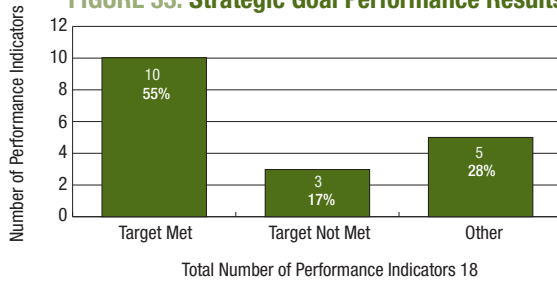
We will be an exceptional team, acclaimed for superior service, recognized as trusted stewards and renowned for enriching people's lives.

### Values:

- The **professionalism** and **integrity** of each AOC employee demonstrates our dedication to providing quality services and our commitment to holding ourselves to the highest standards.
- We recognize that we do our best work through **teamwork**, each of us lending our individual strengths and talents to the greater goal of the entire team. We respect each other and rely on each other in our efforts to make AOC a center of excellence.
- We take great **pride** in what we do and in the honor of serving Congress, the Supreme Court and the American people each and every day.



FIGURE 33: Strategic Goal Performance Results



the strategies form the near-term focus (i.e., the “Five Year Focus”). In its published Strategic Vision, AOC identified 35 total strategies to achieve the strategic goals and objectives.

AOC implemented the Strategic Vision at all levels of the organization, as shown in the governance structure illustrated at **Figure 34**. Each strategic goal is represented by goal leads who are responsible for directing the goal’s implementation. In FY 2013, AOC increased the number of goal leads to approximately two per goal and implemented monthly meetings for the goal leads. In FY 2014, AOC sustained the change and added a monthly Strategic Vision progress review at the Executive Leadership Team (ELT) level to ensure maximum transparency in the process. Each focus strategy is assigned to individual strategy owners who are responsible for strategy teams that bring together employees from throughout the organization. As part of the communication effort, the strategy owners

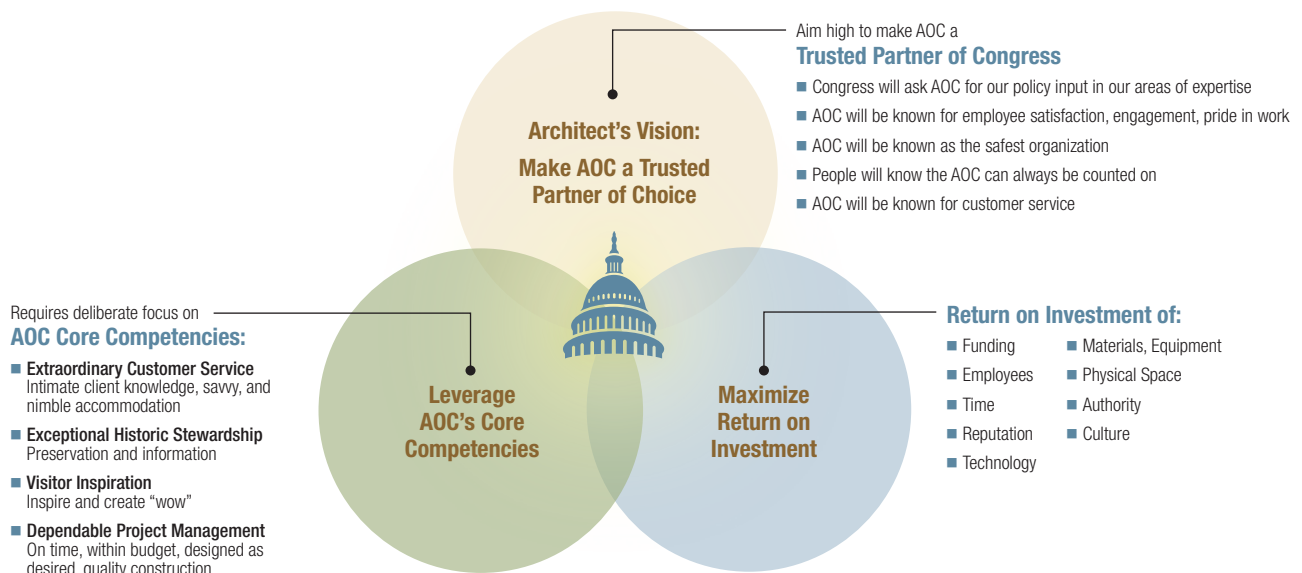
FIGURE 34: Strategic Vision Governance Structure



provided quarterly status reports to the ELT. These reports, made accessible to all employees, increased the understanding of the Strategic Vision and highlighted interdependencies among the strategies.

In an effort to better align its strategic efforts with the current operational and fiscal environment, AOC’s management conducted a comprehensive review of AOC’s strategic priorities and refocused strategic efforts on four of those priorities (one per goal) to strengthen AOC’s organizational culture. **Figure 35** shows the criteria for prioritization. The priorities were identified based on their alignment with the Architect’s vision to make AOC

FIGURE 35: Criteria for Prioritization



Congress' trusted partner of choice. The priorities focus on leveraging AOC's core competencies and maximize AOC's return on investment. These priorities include:

- Customer Service
- Risk Management
- Responsibility, Accountability, Trust and Engagement
- Facilities Planning and Project Management

Other efforts to focus AOC's Strategic Vision included increasing the number of senior leaders involved in the implementation of the strategic goals and holding quarterly meetings for AOC's Executive Leadership Team to focus on the agency's strategic issues. AOC also held working sessions for employees designed to unify the organization, create enthusiasm and momentum, give managers support and demonstrate how to achieve the Strategic Vision in daily operations. AOC continues to utilize Logic Models to illustrate the path from conceptual design to implementation, as shown in **Figure 36**.

### Performance Management

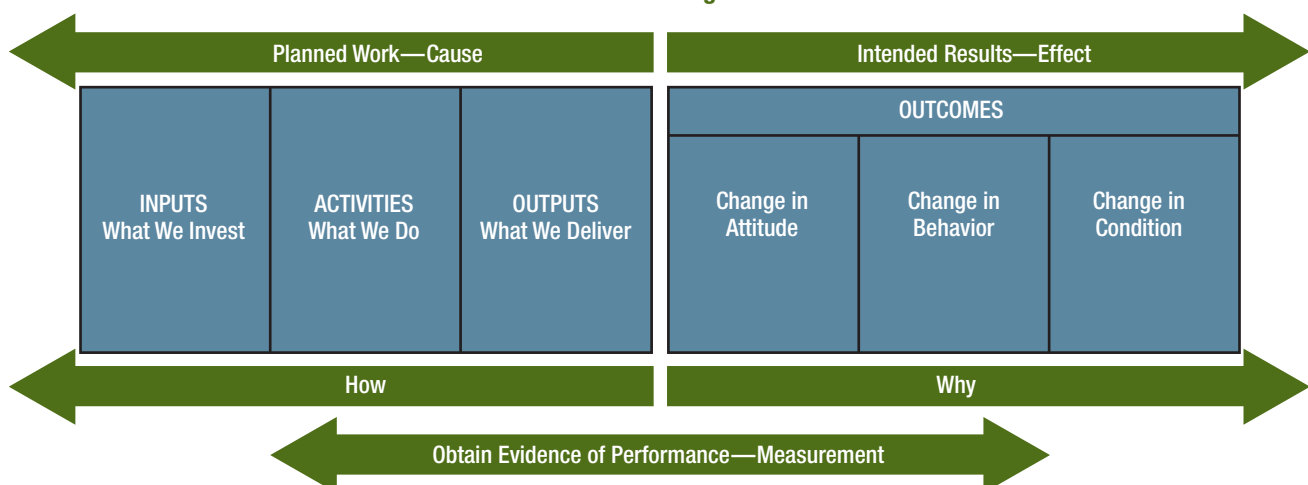
AOC has published an annual PAR since FY 2005 as a means to promote transparency and accountability. AOC does this voluntarily, following the guidelines set for Executive Branch agencies under the Chief Financial Officers Act of 1990, the GPRA Modernization Act of 2010 and other Federal financial management regulations.

AOC strives to achieve a high level of performance in advancing its strategic goals and it uses objective data to drive performance management decisions. Since FY 2004, AOC has maintained an Executive Dashboard to monitor and manage performance. The Executive Dashboard, AOC's primary tool to measure performance, has evolved since its

inception to better reflect AOC's mission and the Strategic Vision. Each year, AOC updates the Executive Dashboard to reflect the most relevant targets, data and strategies. As part of this effort, AOC adds indicators to track changing priorities or removes obsolete indicators that are no longer pertinent. In FY 2014, AOC added a full section in the Executive Dashboard to report the results of the Organizational Assessment Survey, expanded the information on overtime to four years prior, added temporary indicators to monitor the completion of performance evaluations, enabled the visualization by program of all AOC's annual appropriations combined, and created sections geared towards safety specialists. AOC also enriched the Executive Dashboard with detailed energy usage intensity information at the building and utility level, as well as deviations from energy models, new charts to visualize the distribution of paid and unpaid leave, and extended drill-downs of all human capital indicators to the third organizational level (organization to Division to Branch).

As part of its performance management approach, AOC establishes long-term targets through the *Strategic Vision* and *Five-Year Focus*. Strategy owners and strategy teams work with process owners to develop performance targets. In a few instances, the goals, objectives and strategies do not lend themselves to target-setting. In these cases, the report describes accomplishments from throughout the fiscal year that reflect the objectives and AOC's efforts to meet the goals. While these accomplishments often are not quantifiable, they are still important indicators of AOC's performance. Specifically, two of AOC's performance indicators, "Sustain Investment in Learning" and "Volume of Honor Awards" are monitored using volumetric indicators rather than performance measures. For these indicators, AOC established "intents" rather than targets. While these

**FIGURE 36: Logic Model**





indicators have enough precision to allow AOC to monitor progress towards its long-term goals, they do not lend themselves to the establishment of quantifiable targets. The results of these indicators and indicators for which FY 2014 data was not available are reported as “Other.”

In the performance discussion that follows, the performance indicators used to monitor progress toward strategic objectives are presented along with their definitions, targets, five prior years of data (when available), FY 2014 results, and data sources. Figures that illustrate trend data accompany the performance tables. Unless otherwise noted, the green areas in the accompanying figures represent the targeted area of performance.

As AOC implements new strategies and new data becomes available, AOC will develop a more comprehensive and robust set of performance indicators. **Table 12** identifies the number of strategic objectives and performance indicators, by Strategic Goal, for FY 2014.

**TABLE 12: Strategic Objectives and Performance Indicators by Strategic Goal**

Strategic Goal	Strategic Objectives	Performance Indicators
One Team, One Mission	3	4
Innovative and Empowered Workforce	3	3
Awe-Inspiring Facilities	4	7
Extraordinary Services	2	4
<b>Total</b>	<b>12</b>	<b>18</b>

In addition to the performance indicators used to monitor performance, AOC received recognition in FY 2014 through numerous awards and certifications. This recognition is also a lagging indicator of performance. The awards and certifications include:

- The Association of Government Accountants *Certificate of Excellence in Accountability Reporting* in recognition of AOC's FY 2013 Performance and Accountability Report.
- An Association of Energy Engineers *Corporate Energy Management* Region II Award “For Accomplishments on Developing, Organizing, Managing and Implementing an Outstanding Corporate Energy Management Program.”
- Three 2013 Construction Management Association of America Project Achievement Awards:
  - Infrastructure Project with Constructed Value Less Than \$50 Million (Interior Rehabilitation of the East and West House Underground Garages)
  - Program Management/Program Phase—Buildings (U.S. Capitol Dome Skirt Restoration)

- Program Management/Program Phase—Infrastructure (U.S. Capitol Power Plant, Tunnel Rehabilitation Program)

- Completion of the Leadership in Energy and Environmental Design (LEED) certification of the U.S. Capitol Police K-9 facility in May 2014, achieving a status of LEED Gold.
- A 2014 Certificate of Excellence from TripAdvisor, the top online travel and tourism review site, recognizing that the Capitol Visitor Center “has consistently earned outstanding feedback from TripAdvisor travelers.” The CVC ranked among the top 30 of nearly 300 similar facilities or museum institutions.
- As a partner to John C. Grimberg, Co., Inc., AOC received an Association of General Contractors' Washington Contractor Award for the Capitol Power Plant Improvement Project.

### Data Validation

In accordance with the GPRA Modernization Act of 2010, AOC strives to ensure the completeness, reliability and quality of all performance measurement data included in this PAR and has mechanisms in place to verify and validate the accuracy of information collected and reported. Verification and validation of performance data support the general accuracy and reliability of performance information, reduce the risk of inaccurate performance data and provide a sufficient level of confidence to the Congress and the public that the information presented is credible. At AOC, these efforts primarily entail internal agency assessments that address standards and procedures, data entry and transfer, data integrity, data quality and limitations, and oversight.

AOC's data verification and validation efforts include the following key mechanisms and processes:

- Use of applied measurement science techniques to identify sources, validate data and generate meaningful information.
- Utilization of automated data collection systems whenever available.
- Implementation of controls such as restricting permissible values, flagging outliers for review and mapping results for visual checks, to ensure the validity of the presented data.
- Use of automated data checking procedures in addition to manual verification.
- Reviews by data owners and data users.
- Analysis of data and identification of possible discrepancies for resolution.

- Review and discussion of performance results monthly in an Executive Leadership Team meeting.
- Issuance of quarterly reports on strategy progress and challenges.

In addition, AOC publishes its annual PAR on the agency's website ([www.aoc.gov](http://www.aoc.gov)), making the report—including information on the agency's progress in achieving its goals and objectives—available to Congress and the general public. Once posted to the website, AOC notifies Congress of the availability of the final PAR and where it may be found online.

AOC is in the process of producing a comprehensive and detailed operational definition for every performance indicator included in the Executive Dashboard. Operational definitions are documentation packages that discuss each indicator's relevance, identify data source and data providers, detail the calculations used to build the measure, describe specific data validation steps undertaken for each data set,

define relevant data terms, and summarize data limitations as well as risks associated with the data that might impair accuracy. By identifying data limitations and risks, operational definitions have helped AOC develop better, more complete data validation procedures where advisable. In FY 2015, AOC will complete its operational definitions collection and use the information to continually improve the validity, accuracy, and depth of the data it uses in measuring performance.

In this section, certain performance indicator tables include prior year data noted with an asterisk (\*) to indicate that results reported in this year's PAR differ from those reported in FY 2013. These differences are primarily due to data updates received after the PAR publication date or to minor differences in precision reported.

In FY 2014, AOC did not conduct research or program evaluations related to understanding program performance, problems or external factors that might influence performance.



AOC's data validation efforts include implementing controls such as restricting permissible values, flagging outliers for review and mapping results for visual checks. These efforts help ensure the accuracy of information collected and reported.





A backlit shot of work installing the scaffold inside the U.S. Capitol Rotunda. The scaffold supports the protective canopy installed inside the Rotunda during the Dome Restoration Project.

## Strategic Goal 1: One Team, One Mission

### United in Excellence

*AOC will foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout the organization.*

The purpose of this goal is to promote collaboration within and among the jurisdictions and administrative offices and is intended to create a more efficient and effective organization. The responsibilities, challenges and requirements within the organization are unified under this goal to ensure AOC remains focused on its mission to *Serve, Preserve* and *Inspire*. This goal is intended to improve work processes by cross-jurisdictional collaboration, reduce redundancies by intra-agency cooperation and focus the organization on AOC-wide improvements and projects.

*One Team, One Mission* includes three strategic objectives:

- Cultivate an organizational culture of learning, sharing and support.
- Utilize AOC resources efficiently.
- Collaboratively develop and implement standardized processes, policies and programs.

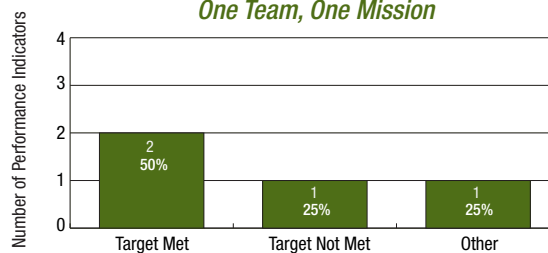
The performance results achieved in FY 2014 for this goal are depicted in **Figure 37**.

## One Team, One Mission

### Activities focus on:

- Improving current processes by learning from each other and from external sources
- Fostering intra- and inter-organization collaboration
- Focusing on projects with AOC-wide impact

**FIGURE 37: Results Achieved for One Team, One Mission**



Total Number of Performance Indicators: 4

### STRATEGIC OBJECTIVE 1.1: Cultivate an Organizational Culture of Learning, Sharing and Support

AOC's strategies for this objective include:

- Enhance the foundation on which AOC develops and delivers results and strengthen the agency's reputation for excellence.
- Increase the use of cross functional teams drawn from across the agency to develop and share solutions to common challenges.
- Expand external collaboration to enhance innovation, deliver better value and exceed expectations.
- Participate and actively engage in professional associations and partnerships.

**Discussion:** In FY 2014, AOC continued focusing on enhancing the foundation on which it develops and delivers results and strengthening its reputation for excellence. Specifically, AOC implemented a major cultural initiative to enhance the professional and personal growth of AOC supervisors and employees: "Building Leaders." This in-house program, presented by the Equal Employment Opportunity and Diversity Programs Office, focuses on developing the leadership skills of AOC's front-line supervisors and promoting AOC's diversity and inclusion. Jurisdictional groups, comprised of 10 supervisors, meet weekly for a total of eight weeks. Each week has a different focus—such as team building, conflict management, building trust, communication and emotional intelligence. To date, 95 supervisors have successfully completed the program. A related initiative was the design for the AOC's Supervisory Academy Program, which was completed in

FY 2014 and will be rolled out in FY 2015 (see Future Strategy Efforts).

In addition, over 1,850 managers, supervisors and employees received drug and alcohol awareness education, focusing on AOC's Drug-Free Workplace policy and the detrimental impact of drug and alcohol use at work. Further, AOC worked to promote efficient standardized business practices across the organization by establishing an operational performance improvement framework. As part of this effort, AOC's strategy team drafted an order to initiate an AOC-wide review to standardize process documentation. The order includes templates and a compliance checklist.

AOC's investment in its employees' education and training also falls under this strategy. As a service organization, AOC's employees are paramount to its success and investment in learning provides the most basic foundation for ensuring positive results. In FY 2014, AOC continued providing jurisdictions with sufficient training resources. In addition to an education and training budget, AOC promotes a variety of alternative training options, from an online learning portal to a host of courses and seminars delivered by in-house staff. AOC also sustains employee learning and development through a professional exchange program (ExCEL) and an upward mobility program, the Architect's Mobility Program, as a way to continue demonstrating its commitment to cultivating an organizational culture of learning.

During FY 2014, several efforts were successfully completed by cross-jurisdictional teams composed of employees from multiple organizations, furthering the *One Team, One Mission* goal of enabling employees to learn from each other and establish new professional bonds. Examples include the Appropriations Lapse Planning Team, the team that prepared the Capitol Dome

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## Charity Anderson

Assistant Facility Manager, AOC Supreme Court Building and Grounds

Charity Anderson, Assistant Facility Manager, inspires and fosters teamwork, spirit, pride and trust by recognizing good performers and ensuring concerns are addressed in a timely and consistent manner. At the Supreme Court, she has improved inventory management, purchase reconciliations and contract management. Charity has worked with management to improve morale within the jurisdiction shops and, in just over one year, has already made recognized contributions to the Supreme Court's team.



Exhibition, the team set up to evaluate the system requirements for the agency's new Human Resources Information System, and the team tasked to evaluate the agency's performance management system for continuing viability. Progress under this strategy is measured by AOC's investment in learning. **Table 13** provides the FY 2014 overview of this volumetric indicator.

**TABLE 13: Volumetric Indicator—Sustain Investment in Learning**

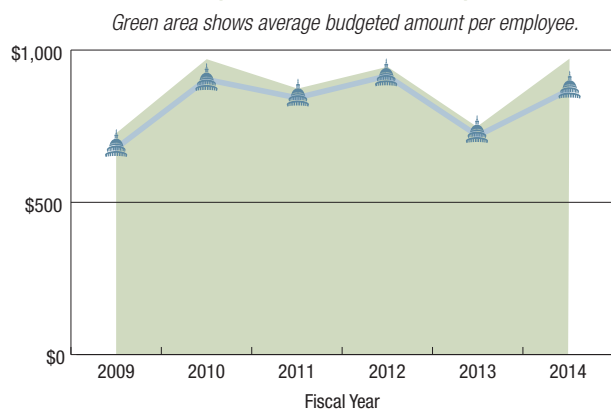
FY 2014 Target	No Target Assigned
Performance	\$867.74 per employee
Target Met	Other

AOC's efforts to sustain learning and professional development in its workforce are monitored by the average per capita amount spent on education. Actual expenditures on training rose from \$718.57 in FY 2013 to \$867.74 per employee in FY 2014. The increase from the previous year speaks to AOC's commitment to professional development and to devoting an adequate amount of resources to sustain learning.

This indicator does not have a target. It was established as an indicator to monitor the extent to which AOC sustains learning by dedicating resources to it, with the understanding that the level of resources is influenced by a host of internal and external factors, such as budget, staffing levels and timing. In addition to a noteworthy increase in per capita spending, the expansion of alternative programs such as ExCEL and the Architect's Mobility Program has helped position the agency to sustain employee learning and development in an uncertain budget environment. **Table 14** and **Figure 38** provide trend data on AOC's investment in learning.

**Future Strategy Efforts:** In FY 2015, AOC plans to continue to develop, test and deploy the new Human Resources Information System (HRIS). AOC is committed to improving its human resources practices, capitalizing on the capabilities of the new HRIS wherever possible, and avoid costly customizations to the system. For example, with the future deployment of an Enterprise Learning Module, AOC

**FIGURE 38: Investment in Learning (Per Capita Investment)**



would gain the ability to put in place a more adequate set of performance indicators to monitor the extent to which AOC employees are learning. The new measurement data can then be used to fine-tune and improve training programs and evaluate the different initiatives geared towards employee growth.

In FY 2015, AOC will roll out a new training effort, the Supervisory Academy Program. This program will serve as the baseline for training which all supervisors will be required to attend. The training will cover the foundational skills of leadership, including motivating employees and communication. This program will offer AOC supervisors opportunities to build their leadership skills, gain comprehensive knowledge of AOC policies and procedures, and integrate supervisory competencies.

Additionally, AOC prepared the draft order "Documenting Business Policies and Procedures" in FY 2014 to assist AOC jurisdictions and organizations in documenting and sharing their significant business operating processes. The agency is reviewing the order and plans to finalize it in FY 2015. This order will establish an operational performance improvement framework that standardizes business process and procedure documentation across AOC.

**TABLE 14: Investment in Learning (Per Capita Investment)**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	No Target Assigned					
Performance	\$677.13	\$903.42	\$843.15	\$915.32	\$718.57	\$867.74
Target Met	Other	Other	Other	Other	Other	Other

Definition: Total expenditures on training activities divided by average number of employees for the fiscal year

Source: AOC Financial Management System for amounts spent in training activities, National Finance Center bi-monthly information data file for number of employees

## Strategic Objective 1.2: Utilize AOC Resources Efficiently

AOC's strategies for this objective include:

- Expanding the adoption of best practices where beneficial.
- Streamlining AOC internal operations for enhanced efficiency and effectiveness.
- Maximizing the effectiveness of financial information in the decision making process.

**Discussion:** In FY 2014, AOC continued focusing on streamlining internal operations for enhanced efficiency and effectiveness. In particular, AOC evaluated the feasibility of implementing a consolidated AOC inventory and warehousing center. The effort would achieve cost savings while maintaining an acceptable level of service, standardizing accounting and inventory control practices, increasing transparency and reducing AOC's inventory and warehouse footprint. In late FY 2014, the strategy team presented final recommendations to the Executive Leadership Team and prepared for taking next steps in FY 2015.

Additionally, during FY 2014, AOC continued to make progress in its efforts to achieve significant efficiencies through cost savings initiatives. Key savings accomplishments are highlighted in **Table 19** as part of the sidebar, *In Focus: Working Leaner for the American Taxpayer*, on page 65. These savings were made possible through contract re-negotiation, overtime management, technology expansion, energy and water consumption reduction measures, and the use of fewer outside contractors.

AOC tracks performance on this objective through indicators that monitor operational processes and labor requirements. Enhanced efficiencies and improved effectiveness is expected to manifest itself in reduced processing times and fewer labor hours—specifically overtime labor hours.

**TABLE 15: Performance Indicator—Adherence to Hiring Cycle Time<sup>1</sup>**

	Recruiting Actions	Direct Hires
FY 2014 Target	150 Days	60 Days
Performance	122 Days	55 Days
Target Met	Met	Met

<sup>1</sup> The Recruiting Action and Direct Hire processes differ in that the latter does not require the position to be advertised. AOC, being part of the Excepted Service, has the authority to appoint individuals directly to certain positions.

In a tight budget environment, use of available management tools such as improved project planning, restructuring work shifts and establishing overtime budgets can help control overtime costs.

The Adherence to Hiring Cycle Time indicator provides a quantifiable measure of efficiency for two processes: recruiting actions and direct hires. The average number of days required to fill a vacancy (from the moment the jurisdiction places a formal request in the system to the time a new employee begins work) is an indicator of AOC's ability to function at full capacity. The longer positions remain vacant, the greater the impact to the agency's performance.

**Table 15** provides the FY 2014 overview for this performance indicator.

AOC staff brought new employees on board within the target cycle time assigned to each process, thus meeting this objective in FY 2014. **Table 16** and **Figure 39** provide the six-year trend data for this indicator. The data represent the days elapsed from the date in which the request to fill a vacancy is placed in the system to the date the new employee comes on board.

AOC continues to meet this target thanks to the combined efforts of hiring managers and the Human Capital Management Division (HCMD) staff. HCMD has been immersed in a radical change in automation tools that

**TABLE 16: Hiring Cycle Times**

Target: Recruiting actions are completed within 150 days and direct hire actions are completed within 60 days.						
Fiscal Year	2009	2010	2011	2012	2013	2014
Target (Recruiting Action/ Direct Hires)	150/60	150/60	150/60	150/60	150/60	150/60
Performance (Recruiting Action/ Direct Hires)	145/43	138/48	132/46	118/32	107/48	122/55
Target Met	Met	Met	Met	Met	Met	Met

**Definition:** Average number of days to fill a vacancy (from request to date employee on-board)  
**Source:** HCMD, Employment and Classification Branch



started in FY 2014, when they began the phased migration of AOC's HRIS to Treasury's Career Connector. As part of this effort, the HRIS Staffing Module was implemented at AOC to support developing and posting vacancy announcements directly to USAJOBS. The multi-year system implementation project requires a long-term phased deployment approach that includes establishing interim processes while final solutions can be rolled out. Cross-functional teams are supporting the transition phase, developing interim procedures where needed and deploying new solutions as these become available. HCMD management is striving to increase the speed of the hiring process and has set informal targets for staff to aim for. However, these have not been formalized due to the anticipated challenges of the HRIS project transition phase.

**TABLE 17: Performance Indicator—Reduction in Usage of Overtime**

FY 2014 Target	<121,428 (Reduce the number of overtime hours with respect to the previous year)
Performance	128,179 hours
Target Met	Not Met

AOC measures organizational efficiency through the number of overtime hours used during the fiscal year. **Table 17** provides the FY 2014 overview for this performance indicator. The target is to reduce overtime hours from the prior year. AOC's FY 2014 overtime usage was 128,179 hours, an increase of 5.6 percent over FY 2013. AOC organizations made all possible efforts to reduce the usage of overtime to complete tasks either by prioritizing or by streamlining. Eight of the 16 AOC organizations monitored had less overtime than in FY 2013, and two did not have any overtime at all. In six instances, however, overtime usage was higher than last year. As a result, during FY 2014—and for the first time in the last four years—AOC staff did not use less overtime than in the previous fiscal year. Two main factors contributed to this situation. The

**TABLE 18: Overtime Usage Hours**

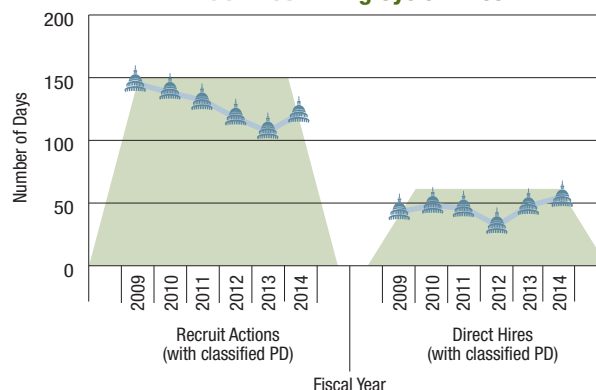
Fiscal Year	2009	2010	2011	2012	2013	2014
Target	<203,465*	<179,797*	<262,843*	<205,567*	<139,518*	<121,428
Performance	179,797*	262,843*	205,567*	139,518*	121,428*	128,179
Target Met	Met*	Not Met*	Met	Met	Met	Not Met

Definition: Total overtime hours recorded in AOC's time and attendance system (excludes overtime hours for the Office of the Attending Physician)

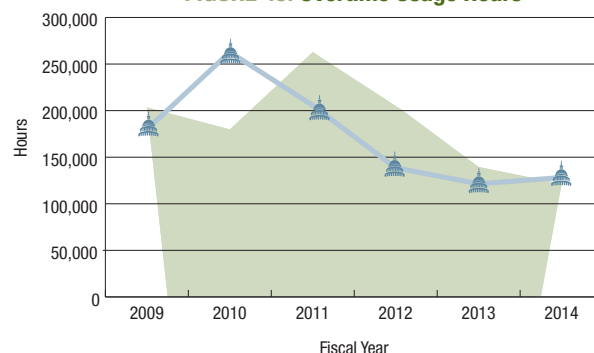
Source: AOC Payroll System via Operational Data Store (ODS)

Note: Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)

**FIGURE 39: Hiring Cycle Times**



**FIGURE 40: Overtime Usage Hours**



first is the decrease in AOC's workforce for the fourth consecutive year: in FY 2014 AOC had 12 percent fewer employees than in FY 2011. The second factor is a number of large projects with tight timelines that started toward the end of FY 2014, such as repairs and improvements to sidewalks and the renovation of several large committee rooms. **Table 18** and **Figure 40** show the trend of overtime hours.

## In Focus

### Working Leaner for the American Taxpayer

The AOC is focused on finding innovative ways to work leaner to reduce operational costs and redirect those resources to other priority needs. The agency uses disciplined approaches, such as prioritized planning and strategic hiring, to anticipate and effectively minimize the effects of a constrained budget environment and the challenges AOC faces in carrying out its core mission.

During FY 2014, AOC continued to make progress in its efforts to achieve significant efficiencies through cost savings initiatives. Key savings

accomplishments—highlighted in **Table 19**—were made possible through contract re-negotiation, overtime management, technology expansion, energy and water reduction measures and the use of fewer outside contractors. As a result of proactive cost-savings measures, AOC met prior year sequestration requirements and navigated the October 2013 government shutdown while staying focused on major capital improvement and renovation projects.

**TABLE 19: Highlights of Cost Savings Initiatives for FY 2014**

Initiative	Effort	Estimated Cost Savings
Overtime Management	Sustained an AOC-wide drive to work more efficiently by reducing agency overtime hours. As an example, for major special events on the Capitol Grounds, shops collaborated and worked outside of their usual trades and geographic responsibilities in order to reduce the need for overtime premium pay.	Approximately \$140,000 saved agency-wide
Moved Work In-House	AOC's Facilities Planning and Programming Division field surveyed existing tenants and performed square footage calculations for the Government Printing Office study and conducted surveys for the Ford House Office Building—eliminating contractor costs for surveys, programming and master drawing updates.	Over \$130,000 saved
	AOC developed a comprehensive maintenance program at the Library Buildings and Grounds' Machine Shop. The program eliminated the requirement for a separate contract to maintain exterior doors.	Estimated \$100,000 savings
	The AOC Capitol Building executed minor construction using in-house staff and conducted in-house testing of the building's fire alarm system.	Saved approximately 42% in total project costs plus \$60,000 annually in testing costs
Consolidated Events	Consolidated safety stand-downs and trainings for AOC's Construction Division—decreased time away from job sites and increased worker efficiency.	\$60,000 annually
Reduced Fuel Oil Consumption	The AOC Library Buildings and Grounds reduced annual fuel consumption by 23,000 gallons at the Packard Campus, due to a reconfiguration of boiler operations which improved efficiency, increased availability and reduced equipment wear.	Over \$70,000 in cost savings
Lifecycle Management	The AOC Capitol Police Buildings, Grounds and Security, as part of a life cycle replacement project, completed a retrofit of the Air Handler Units on the north and south sides the Alternate Computer Facility, reducing electrical consumption by nearly 30%.	Estimated \$18,000 annually
Mobile Devices for Computer Aided Facility Management	In conjunction with the conversion to WebTMA, AOC House Office Buildings rolled-out 80 handheld mobile devices for use by technicians in each shop and on every shift to create and track work orders.	The internal rate of return on investment is projected at 26% between 2012 and 2019



**Future Strategy Efforts:** In FY 2014, AOC will continue to roll out strategies geared towards evaluating current processes, looking for opportunities for improvement as well as expanding the adoption of best practices where beneficial.

### Strategic Objective 1.3: Collaboratively Develop and Implement Standardized Processes, Policies and Programs

AOC's strategies for this objective include:

- Create and engage in proactive risk management processes.
- Establish and implement a program that drives quality improvement throughout the agency.
- Build a consistent data framework to manage knowledge as an agency asset and drive productivity.

**Discussion:** In FY 2014, AOC efforts to build a consistent data framework to manage knowledge and drive productivity included initiatives to harmonize internal and external data structures aimed at using agency data as a strategic resource. This work will help define and solidify the data architecture and make managed metadata available agency-wide. Specifically, AOC's Information Technology Division (ITD) played a lead role introducing SharePoint-based SQL Server Reporting Services (SSRS) to the agency, making more integrated and user-managed reporting capabilities available. AOC's reporting system

"power users" participated in a discussion of this change and ITD plans to help them migrate reports and skills to SSRS. Additionally, AOC started building on the efforts accomplished under the Data Management Strategic Initiative. As part of this work, ITD began building a SharePoint infrastructure to make key sharing points such as organization and location easily available to users.

AOC also focused on strengthening a culture of enterprise risk management. In summer of 2014, the Strategy Team held a Risk Management Summit and presented alternatives to the Executive Leadership team. The summit included discussing plans to foster a deeper understanding of risk context, identification, analysis, evaluation, treatment, and monitoring.

Once the Data Management Program and Enterprise Risk Management Program are established, AOC will include performance measures that align with those programs. Currently, AOC measures performance against this objective through the Procurement Acquisition Lead Time (PALT), a measure of AOC's resource acquisition function. **Table 20** provides the FY 2014 overview of this performance indicator. This indicator is a measure of the level of reproducibility of organizational processes. AOC Acquisition and Materials Management Division (AMMD) revised and normalized its acquisition processes to maximize efficiency and improve timeliness. AOC defined an optimum PALT for each acquisition type and measures performance against those standards.

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## Ethel Clayborne

Human Resources Specialist, Payroll and Processing Branch,  
AOC Human Capital Management Division

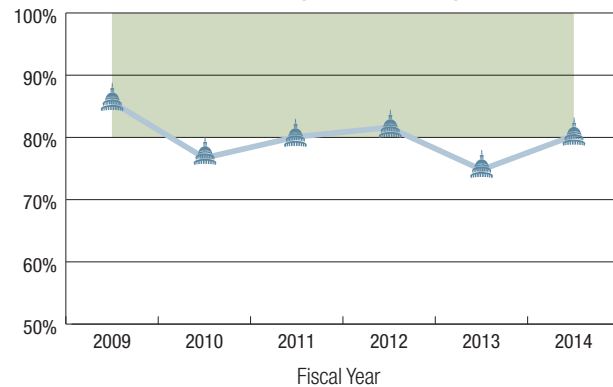
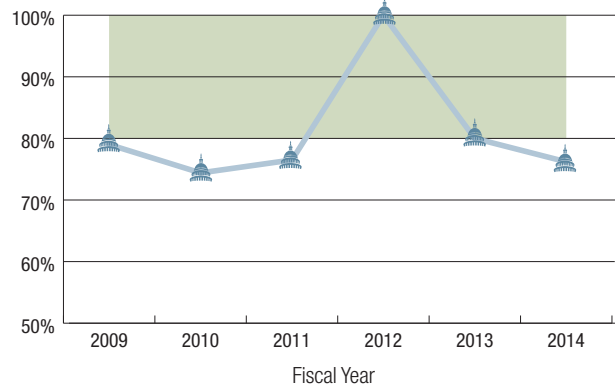
Ethel Clayborne, Human Resources Specialist, regularly demonstrates the meaning of "One Team, One Mission." She serves as the troubleshooter and go-to resource for AOC. She provides sound guidance to timekeepers, administrative officers and other human resources specialists on time and attendance issues. She also provides excellent support to her co-workers by encouraging them to strive for continuous improvement which resulted, in part, in a "no finding" determination for the FY 2013 financial statement audit. Ms. Clayborne truly demonstrates the core values of AOC by consistently demonstrating teamwork, integrity, pride and professionalism.

**TABLE 20: Performance Indicator—Adherence to Procurement Acquisition Lead Times**

FY 2014 Target	80.0% of requisitions are awarded within the PALT for the award type
Performance	80.3%
Target Met	Met

AOC's measurement of resource acquisition functions provides a quantifiable means of identifying success against this objective. In FY 2014, AOC met the Procurement Acquisition Lead Time in 80.3 percent of its measured acquisitions. AMMD continues to meet the target or exceed expectations when awarding requisitions in all award categories monitored (contracts, delivery and task orders, and small purchases). Each Purchasing Agent/Contracting Officer takes personal ownership in the delivery of extraordinary service and their three operations branch chiefs do frequent back-checks to better support their teams and set them up for success. The combination of proper time management and availability of the right information at the right time enables AMMD to deliver. **Table 21** and **Figures 41** through **44** show trend information on adherence to PALT for all awards combined, contracts, orders, and small purchases.

**Future Strategy Efforts:** In FY 2015, AOC will continue developing the risk management framework and continue enhancing AOC's business intelligence capabilities. These efforts will include embarking on preparing the next Strategic Plan. Risk management will become part of the fabric of the new plan, with the Executive Leadership Team engaging in proactive risk identification

**FIGURE 41: Awards (All Combined) within PALT****FIGURE 42: Contracts Awards within PALT****TABLE 21: Adherence to Procurement Acquisition Lead Times**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Awards (Combined)	85.7%*	76.7%*	80.1%*	81.6%*	74.8%*	80.3%
Contracts	79.0%*	74.4%*	76.5%*	100.0%	80.0%*	76.2%
Orders	82.4%	75.8%	82.0%	86.0%	74.3%*	77.6%
Small Purchases	86.3%	76.9%*	79.9%*	81.2%*	74.8%*	80.6%
Target Met	Met	Not Met	Met	Met	Not Met	Met

**Definition:** Total requisitions awarded within Procurement Acquisition Lead Times divided by total requisitions awarded (excludes Interagency Agreements)

**Source:** AOC Financial Management System

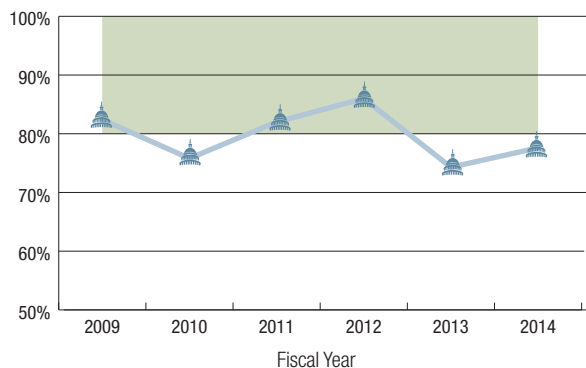
**Note:** Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)



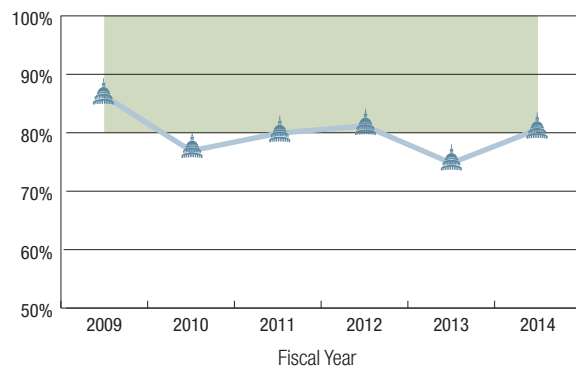
and analysis activities at the onset and cascading risk management principles and techniques from goals all the way down to activities. To address business intelligence, in FY 2015, AOC will continue to leverage the tools it has already made available to analysts across the agency and

encourage further use and testing. Such activities will provide the agency with a deeper understanding of the value and limitation of our business intelligence tools and inform the decision on how to move forward.

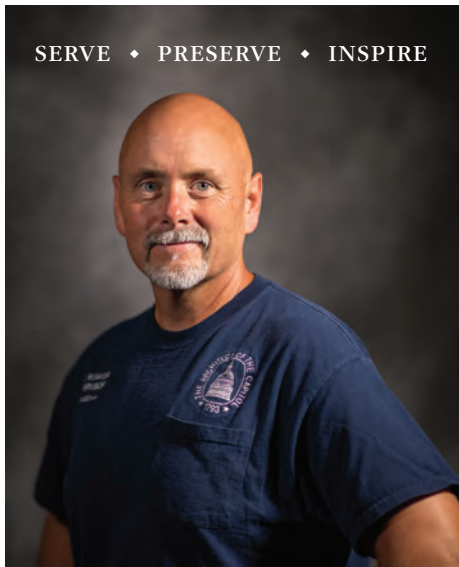
**FIGURE 43: Delivery Orders and Task Orders Awarded within PALT**



**FIGURE 44: Small Purchases Awarded within PALT**



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## Steve Weaver

Operations Supervisor, U.S. Botanic Garden

Steve Weaver, Operations Supervisor of the U.S. Botanic Garden Operations Division, leads by example and provides a model from which other teams and divisions can learn. He maintains a positive “will do” attitude and is consistently willing to go above and beyond to accomplish what is needed to ensure mission success. Steve strives to ensure that Operations Division staff perform at or above the high bar set by past efforts.



AOC's Innovative and Empowered Workforce Strategic Goal aims to create a workforce that excels in service delivery. This vision is embodied in dynamic individuals who are empowered to better serve Congress, the Supreme Court and the American public.

## Strategic Goal 2: Innovative and Empowered Workforce

### Leading Change Together

*AOC will attract, develop and retain exceptional employees; empower its workforce to be innovative and advance new programs and processes to serve its clients; preserve our national treasures; inspire memorable experiences; and embrace change through outstanding leadership and continuous improvement.*

The purpose of this goal is to create a work environment that rewards excellence and creativity. In doing so, AOC will attract, develop and retain exceptional employees. AOC's vision is embodied in dynamic individuals who are empowered to better serve Congress, the Supreme Court and the American public. This goal aims to create a workforce that is able to excel in service delivery.

*Innovative and Empowered Workforce* includes three strategic objectives:

- Treat people as the cornerstone of our success.
- Increase employee involvement and engagement.
- Build a culture of transparency, ownership and accountability.

AOC monitors three performance indicators for this goal. One of these is based on the biennial Organizational Assessment Survey that is conducted in even years. AOC met its performance targets for both indicators with

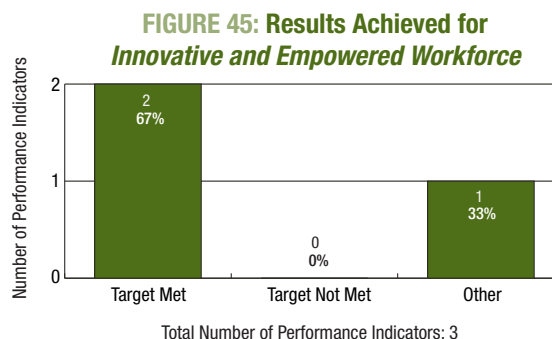
### Innovative and Empowered Workforce

#### Activities focus on:

- Responsibility, accountability, trust and engagement
- Fostering employees' growth and betterment
- Including projects that develop a well-prepared and engaged workforce

established targets. The third indicator does not have a quantifiable target.

The performance results achieved in FY 2014 for this goal are depicted in **Figure 45**.





Strategic Objective 2.1: Treat People as the Cornerstone of Our Success

AOC’s strategies for this objective include:

- Enhancing opportunities for personal and professional growth.
- Strengthening our programs and strategies to attract and retain outstanding employees.

**Discussion:** In FY 2014, AOC’s Training and Employee Development (TED) Branch implemented a “New Year, New You” career coaching program. TED’s coaching services provided guidance and advice to enhance employees’ professional contributions to AOC’s mission. Whether employees are beginning their training path or making a professional shift, TED provides help by assessing what they can do to take control of their career. A series of classroom training programs coupled with individual assessments in communication styles, conflict resolution, and career interests have fostered professional enrichment and identified opportunities for growth.

AOC also developed the Career Coach Concept in conjunction with the “New Year, New You” program. This initiative, designed to foster personal growth, is devoted to helping employees stay challenged and sustain personal and professional growth by broadening their skill sets. The series is founded on the principle that career development is a two-way commitment that employee and employer make together. In this scenario, the employee commits to acquiring the skills and knowledge needed to stay valuable, and the employer commits to supporting the employee by offering opportunities for growth and development.

Additional FY 2014 activities focused on strengthening facilities management talent by starting a new ExCEL program for the trade group from the AOC House Office Buildings, AOC Library Buildings and Grounds, AOC Capitol Building and AOC Supreme Court Building and Grounds jurisdictions. Through the ExCEL program, participants are exposed to different techniques and approaches for their jobs, trades or skills.

AOC also undertook efforts to cultivate and develop workforce talent. For example, TED collaborated with the Historic Preservation Officer to incorporate new training programs for the stone masons responsible for the stone exterior of the U.S. Capitol and other buildings on Capitol Hill. These programs support AOC’s Preservation Policy and Standards, including its construction material and product recommendations.

And finally, AOC undertook two additional efforts to strengthen supervisory skills. The Human Capital Management Division developed and disseminated the AOC Performance Management Toolkit, providing further guidance for performance management and disciplinary matters—placing an emphasis on employee/supervisory communication regarding performance expectations and outcomes throughout the rating period. At the same time, the Equal Employment Opportunity and Diversity Programs Office (EEO/DP) continued implementing the 8-week “Building Leaders” initiative to develop leadership skills of first-line supervisors. To date, 95 supervisors have successfully completed the program. Since their graduation, a significant number of participants reached out to EEO/DP to inquire about regroup sessions, which shows that they are invested in the program and look forward to continuing their learning. Several supervisors have also asked EEO/DP for assistance in team building, shop feedback sessions, and proactive conflict resolution activities. These efforts were initiated solely by participants of the Building Leaders Program and appear to be the result of looking at things and thinking differently.

AOC introduced a new indicator last fiscal year to measure success against this strategic objective—participation in the Architect’s Mobility Program (AMP). **Table 22** provides the FY 2014 overview for this performance indicator. This program offers career opportunities for employees who occupy “career limiting” positions and lack qualifying experience to enter other career fields. As part of AOC’s aim to become an “employer of choice,” this program addresses the agency’s commitment to supporting employees in the development of their full potential while providing continuity of talent and critical trade skills. The indicator is a measure of opportunities for professional growth offered to AOC’s workforce.

TABLE 22: Performance Indicator—Participation in the Architect’s Mobility Program

FY 2014 Target	Fill All Available Positions
Performance	100% filled
Target Met	Met

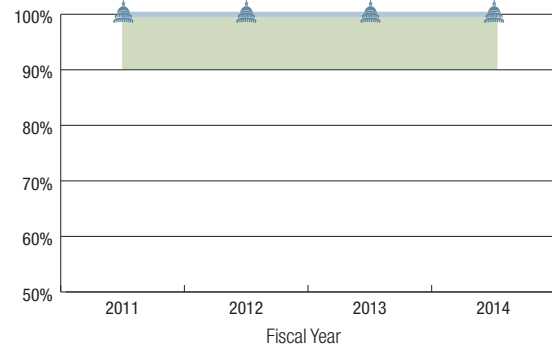
The participation in the Architect’s Mobility Program indicator measures the proportion of positions available in the program that were filled. Participation in the program is an indicator of the extent to which employees take advantage of the opportunities for professional growth that AOC provides. In FY 2012, AOC re-designed the program and enrolled four employees. In FY 2014, AOC established a target of 100 percent participation (i.e., fill all available AMP positions). AOC also expanded the AMP program to two more trades: Sheet Metal Mechanic Trainee and

Maintenance Mechanic Helper Trainee. All five available positions in these trades were filled and the new trainees are expected to graduate from the program in two years. The decrease in the number of applicants in FY 2014 is assumed to be caused by the specificity of the trades for which AMP positions were available, which may have garnered the interest of fewer employees.

As shown in **Table 23** and **Figure 46**, AOC met its target in FY 2014. The agency's emphasis on the program is also indicated by the steady flow of applicants whenever AMP positions become available. The number of applicants, however, reflects the interest among potential candidates for the different trades that are offered, with opportunities in trades such as paint or electrical being far more popular than opportunities in the sheet metal branch.

**Future Strategy Efforts:** Looking ahead, AOC will finalize and disseminate a comprehensive AOC Employee Guide. The guide, which could be considered an employee handbook, is designed to enhance employee awareness and understanding of AOC's mission and vision, core values, policies and procedures, and employee resources. It also provides essential information regarding pay, benefits, leave programs and training opportunities. While information is presented in an abbreviated format, the guide

**FIGURE 46: Participation in the Architect's Mobility Program**



also provides contacts in the Human Capital Management Division so that employees may obtain additional information as needed.

**TABLE 23: Participation in the Architect's Mobility Program**

Fiscal Year	2011	2012	2013	2014
Target	No Target Assigned			Fill All Available Positions
% Positions Filled	100%*	100%	100%	100%
Positions Available	1	3	6	5
Number of Applicants	7	45	148	42
Enrollments	0	4*	6	5
Target Met	Other	Other	Other	Met

**Definition:** Percent of available positions in the Architect Mobility Program that are filled

**Source:** Training and Employee Development Branch, Human Capital Management Division

**Note:** The FY 2011 position was filled in FY 2012 in order to take advantage of the newly re-designed program. The four FY 2012 enrollments filled the one FY 2011 position available and the three FY 2012 positions available.



## Strategic Objective 2.2: Increase Employee Involvement and Engagement

AOC's strategies for this objective include:

- Empowering employees to serve as AOC ambassadors.
- Cultivating a work environment of trust and employee engagement.
- Encouraging workplace innovation, new ideas and solutions.

**Discussion:** In FY 2014, AOC leveraged effective leadership to create a culture of trust and engagement. As part of this effort, AOC's Executive Leadership Team (ELT) engaged in leadership strengthening activities that ranged from attending communications training to soliciting constructive criticism from subordinates and peers through feedback surveys.

AOC also provided new opportunities for employee feedback. In early 2014, an action team presented a report to the ELT outlining best practices and offering recommendations for organization heads to conduct successful feedback sessions with employees. In addition, AOC administered its second agency-wide Organizational Assessment Survey in FY 2014 (the AOC's first survey was administered in FY 2012). For more information, see Strategic Objective 2.3.

This objective is intended to address AOC's organizational culture and as such, it is not easily matched to quantifiable metrics with defined targets. Employee recognition programs, such as the Architect's Honor Awards Program do, however, serve as indicators of success under this objective. **Table 24** provides the FY 2014 overview for this volumetric indicator.

This indicator does not have a specific target, as logic dictates, but it is monitored to track the extent to which AOC recognizes its employees. **Table 25** and **Figure 47** provide the number Honor Awards bestowed through the

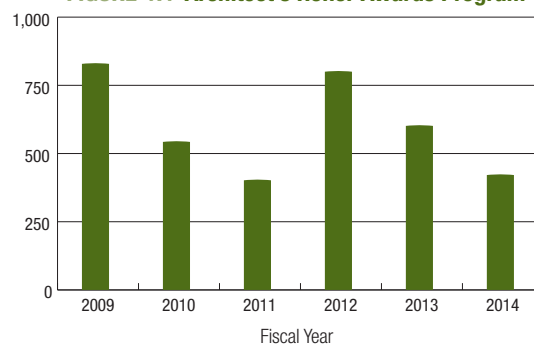
**TABLE 24: Volumetric Indicator—Volume of Honor Awards**

FY 2014 Target	No Target Assigned
Performance	422 awards
Target Met	Other

Architect's Honor Award Program. In FY 2014, AOC recognized 422 employees with Honor Awards for their achievements, including:

- Process excellence in delivering products that far exceeded their customers' expectations
- Commitment to community service, and promoting safety
- Leadership, valor and dedication
- Completion of complex projects that ranged from establishing an agreement with a local medical facility to expeditiously treat injured AOC employees, thus facilitating access to optimal care while minimizing lost time, to developing a state-of-the-art model to determine the number of full-time equivalent employees required

**FIGURE 47: Architect's Honor Awards Program**



**TABLE 25: Volume of Honor Awards**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	No Target Assigned					
Honor Awards	831	544	403	800	601	422
Target Met	Other	Other	Other	Other	Other	Other

**Definition:** Number of awards bestowed through the Architect's Honor Awards program

**Source:** Human Capital Management Division (Honor Awards Ceremony Programs)

for any given project, which was invaluable in defending staffing and budget requirements

In addition, 74 awards were given to organizations for meeting the targets of the Small Business Set-Asides program and 72 awards were given to branches for meeting the goals of the Safety program. Prior year spikes in the number of the Honor Awards bestowed as shown in the trend data resulted from exceptional events such as the 5.8-magnitude earthquake that struck Washington, DC on August 23, 2011 (FY 2012) and the opening of the Capitol Visitor Center on December 2, 2008 (FY 2009).

**Future Strategy Efforts:** In FY 2015, AOC will design and implement organizational improvement activities identified in the OAS survey specifically geared towards increasing employee involvement and engagement. Among the areas of improvement identified in the survey responses was the desire for reduced bureaucracy and increased flexibility. AOC has established teams of employees to develop recommendations for improvement and increase their involvement and engagement in implementing solutions. Recommendations are due to the Architect by the end of calendar year 2014 for implementation as calendar year 2015 begins.

### Strategic Objective 2.3: Build a Culture of Transparency, Ownership, and Accountability

AOC's strategies under this objective include:

- Instilling and fostering accountability and responsibility.
- Promoting transparency through effective, tailored and clear communications.

**Discussion:** AOC's efforts in FY 2014 under this objective included developing an Accountability and Responsibility Program. As part of this effort, AOC conducted an Employee Engagement Benchmarking effort, extracting key elements from the U.S. Office of Personnel Management's (OPM's) Organizational Assessment Survey (OAS), Gallup literature, Partnership for Public Service's publications and studies, and the Malcolm Baldrige National Quality Award criteria. The strategy team identified observable behaviors associated with Responsible, Accountable, Trusted and Engaged (RATE) conduct. Ideally, the team would like to see this conduct socialized throughout the agency as "How do you RATE?" The RATE document has been developed into a self-assessment scorecard and is under review by HCMD and strategic goal leads. As a result of these reviews, HCMD is in the process of incorporating RATE concepts into existing employee programs.

AOC also advanced its efforts to improve the current Performance Communication and Evaluation System (PCES). The AOC performance management working group presented its recommendations to the Architect in early 2014, who approved them for implementation. Among the recommendations, the working group highlighted the importance of focusing agency efforts on improving the communications between employees and supervisors through enhanced training for both groups, developing standardized criteria for supervisory interviews/selections and educating employees regarding the PCES process.

AOC also undertook several efforts to improve internal communication channels including establishing a new intranet, AOC Compass. AOC also introduced a new weekly employee newsletter, Week in Review, refined its GovDelivery service and offered a subscription service that enables employees to sign up to receive news, announcements and other information to work and personal phones, and e-mail accounts. These internal communications channels improve transparency and provide tailored and clear communications for employees.

Perhaps most critically, in FY 2014, AOC administered its second OAS survey as part of its continuing commitment to make AOC one of the best places to work. AOC uses elements of the OAS as a performance indicator to monitor progress toward this strategic objective. A very high proportion of the AOC workforce participated. This survey, a tool developed by OPM, provides AOC employees an opportunity to offer anonymous feedback on AOC's work climate and gives AOC leadership the opportunity to benchmark its survey results with agencies of similar size across the federal government. Participation in this year's OAS will allow for AOC's first-time inclusion in the Best Places to Work Index generated by the Partnership for Public Service. These employee job satisfaction results will be publicly available and will help to establish increased transparency and accountability for the agency's performance.

AOC completed the second OAS with an impressive 89 percent participation rate among employees. Rather than using the dimensions established by OPM—which are more aligned with environments that are predominantly made up of office employees—AOC regrouped the roughly 100 survey questions into 13 focus areas that better represent AOC's reality of a mixed workforce. When compared to the high and low benchmarks (agencies of like-size who conduct the OAS), AOC's favorability scores are in the upper half for nine of the 13 focus areas. The

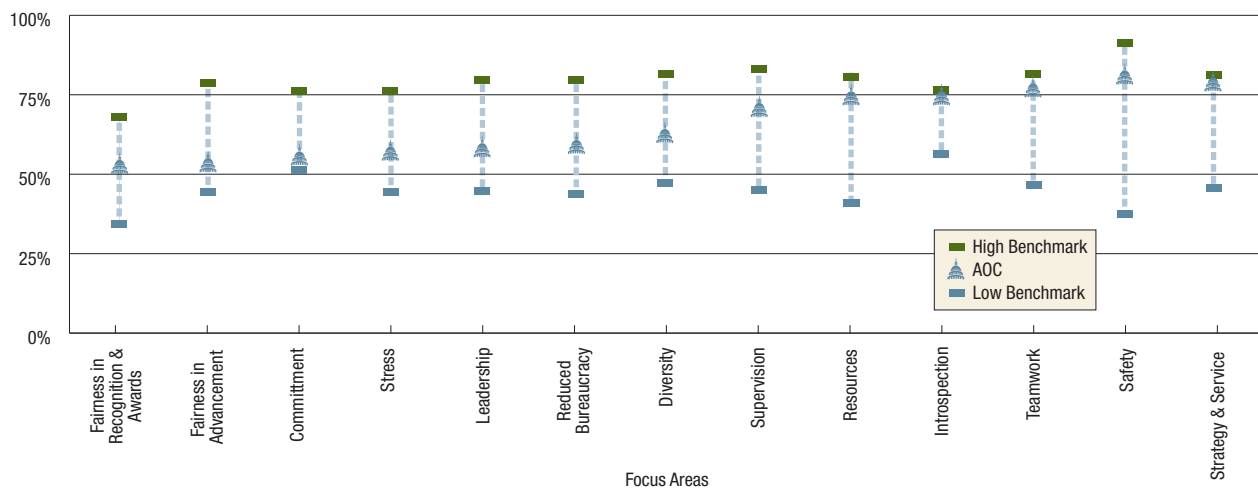


Architect has personally selected three out of the 13 focus areas for AOC-wide action and the agency has established three committees to generate recommendations before the end of calendar year 2014. AOC organization heads have been fully debriefed on their individual organization's results. **Table 26** provides an overview about the OAS performance indicator and **Figure 48** shows the OAS focus areas high and low benchmarks.

**Future Strategy Efforts:** In addition to the three committees working on AOC-wide priorities, AOC Organization Heads are using the information offered during the individual debriefs to select localized priorities for improvement and take action. AOC will also complete the implementation of the PCES working group's recommendations pertaining to the new AOC employee on-boarding process, revisions to the PCES policy and supervisory and staff training programs. Agency leaders are accountable for implementing solutions to employee concerns raised in the OAS survey. AOC will conduct the third OAS in FY 2016, at which point it will be in a position to measure the progress made.

**TABLE 26: Improved Organizational Assessment Position**

<b>FY 2014 Target</b>	Participate in the Organizational Assessment Survey administered by OPM on a biennial basis and address its challenges
<b>Performance</b>	AOC successfully conducted OPM's Organizational Assessment Survey, and is developing action plans to address areas of concern the survey brought to management's attention
<b>Target Met</b>	Met
<b>Definition:</b> Conduct the OAS survey with a participation rate of 80 percent or higher, generate recommendations based on employee feedback in a timely manner, and implement the recommendations that are formally approved by AOC <b>Source:</b> Program management information from the Performance, Strategy and Innovation Division in the Office of the Chief Operating Officer	

**FIGURE 48: OAS Focus Areas Benchmarks**



AOC's responsibilities include stewardship of the U.S. Botanic Garden Conservatory (visible in the background) and the historic Bartholdi Fountain, a monumental iron fountain designed by Frédéric Auguste Bartholdi, who later created the Statue of Liberty.

## Strategic Goal 3: Awe-Inspiring Facilities

### Unsurpassed Craftsmanship and Stewardship

*AOC will ensure outstanding stewardship of our nation's assets to facilitate legislative and judicial business and promote a safe, healthy and secure environment through the efficient use of resources, integrated facility planning and sustainable practices.*

This goal focuses on AOC's mission to maintain the national treasures, historic buildings and grounds entrusted to its care. The goal includes strategies to preserve facilities and landscapes, ensure building equipment and systems function properly, reasonably protect employees from injuries and integrate sustainable practices into business operations to promote efficiency and reduce waste.

*Awe-Inspiring Facilities* includes four strategic objectives:

- Preserve, enhance and protect AOC facilities and landscapes.
- Strengthen AOC facilities through asset lifecycle management.
- Promote a culture of resource conservation.
- Provide superior project delivery.

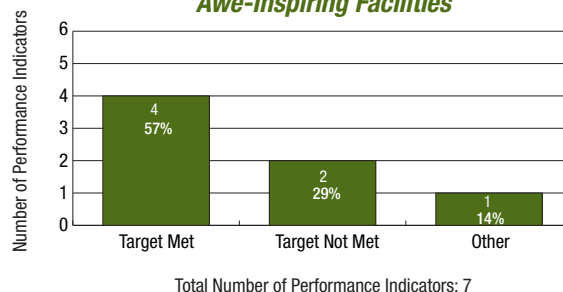
The performance results achieved in FY 2014 for this goal are depicted in **Figure 49**.

## Awe-Inspiring Facilities

### Activities focus on:

- Providing a safe environment where resources are utilized in a sensible manner
- Fostering approaches that are sensitive to the historic nature of AOC's work environment
- Keeping AOC facility management processes on the leading edge of technology

**FIGURE 49: Results Achieved for  
Awe-Inspiring Facilities**





### Strategic Objective 3.1: Preserve, Enhance and Protect AOC Facilities and Landscapes

AOC's strategies for this objective include:

- Leverage technologies to improve facility management and increase operational efficiency.
- Establish a world-class facility cleaning program.
- Establish a world-class landscapes and gardens program.
- Integrate safety, security and preservation principles into business operations.

**Discussion:** AOC focused its FY 2014 efforts under this objective on strengthening information resource structures so that information on Capitol Hill facilities and landscapes can be more easily accessed, understood and utilized. As part of this facility management improvement effort, the strategy team focused on using SharePoint as an effective tool and AOC applied the necessary information technology resources to make this an enterprise class service. The strategy team for this effort also formed a governance group to establish a SharePoint structure that will enable data consistency across AOC. The group started meeting and plans to establish managed metadata to leverage technology and increase operational efficiency.

AOC also identified the technology necessary to visually document historic facilities and landscape features and make the results easily accessible for project planning and execution. AOC's Photography Branch produced three-dimensional point clouds using laser scanning technology and initiated research into the production of a generic

metadata application. This work will help standardize metadata fields that are embedded in photographs captured from a variety of AOC sources. The Branch also adapted existing film and digital equipment to create an innovative solution joining single-shot digital photography to traditional view cameras. This extends AOC's ability to shoot geometrically distortion-free architectural and construction photography.

AOC developed a collaborative means to access historic preservation information. AOC's Planning and Program Management (PPM) office fostered the creation of a standing Preservation Review Group that meets quarterly. The group, which includes representatives from AOC's Curator Division, PPM's Architecture Branch, and AOC's Historic Preservation Officer, provides a forum suited to producing results on this strategy.

AOC utilizes four indicators to track progress against this objective. Preventive Maintenance Work Orders Timeliness provides a measure of AOC's stewardship of the national treasures entrusted to its care. Adherence to Cleaning Standards is a leading indicator of customer satisfaction with AOC's cleaning program. AOC's Injuries and Illnesses Rate provides a means for AOC to monitor the outcomes of the safety program and reflects AOC's success integrating safety into its business operations. AOC has a number of ongoing initiatives related to safety and tracks the injuries and illnesses rate as a lagging indicator. The fourth performance indicator, Customer Satisfaction with Cleanliness, is a biennial lagging measurement of customer satisfaction with this very important building service.

**Tables 27, 29, 31 and 33** provide the FY 2014 overviews for these performance indicators.

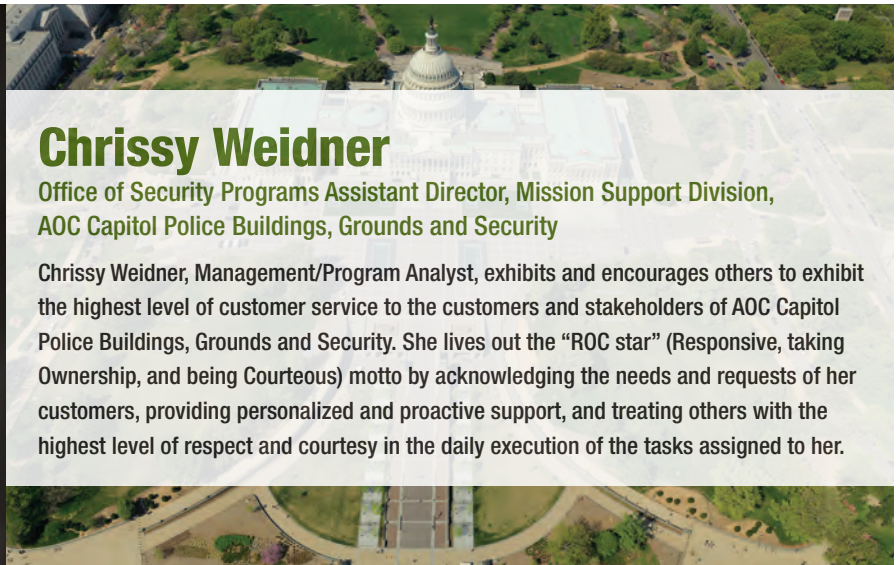
SERVE ♦ PRESERVE ♦ INSPIRE



#### Chrissy Weidner

Office of Security Programs Assistant Director, Mission Support Division,  
AOC Capitol Police Buildings, Grounds and Security

Chrissy Weidner, Management/Program Analyst, exhibits and encourages others to exhibit the highest level of customer service to the customers and stakeholders of AOC Capitol Police Buildings, Grounds and Security. She lives out the "ROC star" (Responsive, taking Ownership, and being Courteous) motto by acknowledging the needs and requests of her customers, providing personalized and proactive support, and treating others with the highest level of respect and courtesy in the daily execution of the tasks assigned to her.



**TABLE 27: Performance Indicator—Preventive Maintenance Work Orders Timeliness**

FY 2014 Target	90.0% of preventive maintenance work orders are completed as planned
Performance	82.9%
Target Met	Not Met

AOC did not meet its target for preventive maintenance (PM) work order timeliness in FY 2014. Timeliness percentages are determined by dividing the number of total preventive maintenance work orders completed as planned by the total number of preventive maintenance work orders scheduled. In FY 2014 AOC completed over 207,000 preventive maintenance work orders on time out of over 250,000 scheduled for the year, a timeliness completion rate of 82.9 percent. An additional 38,000 preventive maintenance work orders were completed in FY 2014, albeit late, bringing the total completion rate to 98.1 percent. The decrease in timeliness appears to correlate with an increase in the volume of work orders in FY 2014, coupled with a decline in the AOC workforce. **Table 28** and **Figure 50** provide the six-year trend in timeliness. Fiscal Year 2009—FY 2010 figures represent total completion rate and FY 2011—FY 2014 represent completion within the planned cycle time.

**TABLE 29: Performance Indicator—Adherence to Cleaning Standards**

FY 2014 Target	95.0% of inspected items are found to be cleaned according to AOC Cleaning Standards
Performance	98.2%
Target Met	Met

AOC measures the effectiveness of its cleaning program through formal team inspections that verify the application of proper cleaning procedures. In addition, AOC continued to administer the peer inspection program as a validation method to the teams' cleanliness inspections. The peer inspection program that started in FY 2013 entails jurisdiction representatives conducting cleanliness inspections across buildings to provide the building occupant's perspective. Six buildings have been cross-inspected with average scores never below 4.2 on a scale of 0 to 5. The highest scores were obtained by the AOC Capitol Building jurisdiction, which was inspected twice in FY 2014 (average scores of 4.9 and 4.8). The six-year performance trend, shown in **Table 30** and **Figure 51**, indicates consistent adherence to AOC's cleaning standards as verified through the Team Inspections Program.

**TABLE 28: Preventive Maintenance Work Order Timeliness**

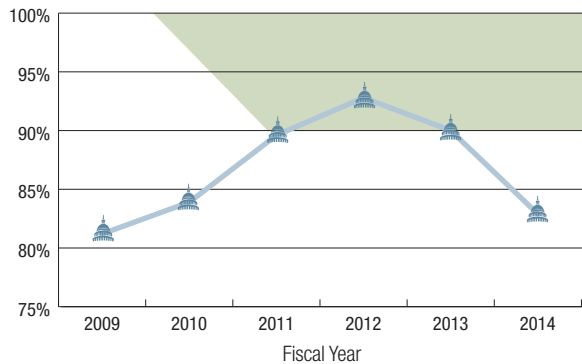
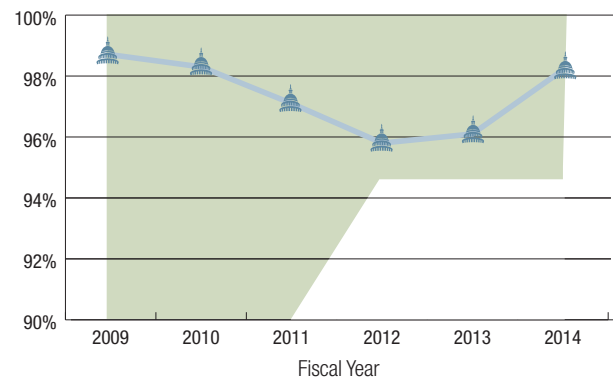
Fiscal Year	2009	2010	2011	2012	2013	2014
Target	N/A*	N/A*	90.0%	90.0%	90.0%	90.0%
Percent Completed as Planned	81.2%	83.9%	89.6%	92.8%	90.0%	82.9%
Target Met	Other*	Other*	Not Met	Met	Met	Not Met
Definition: PM work orders closed as planned divided by total PM work orders scheduled						
Source: WebTMA, AOC's Work Orders Management System						

Note: Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)

**TABLE 30: Adherence to Cleaning Standards**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	90.0%	90.0%	90.0%	95.0%	95.0%	95.0%
Percent Completed as Planned	97.1%	97.1%	95.8%	96.1%	97.0%	98.2%
Target Met	Met	Met	Met	Met	Met	Met
Definition: Items cleaned successfully divided by total number of items inspected						
Source: Formal Team Inspections						

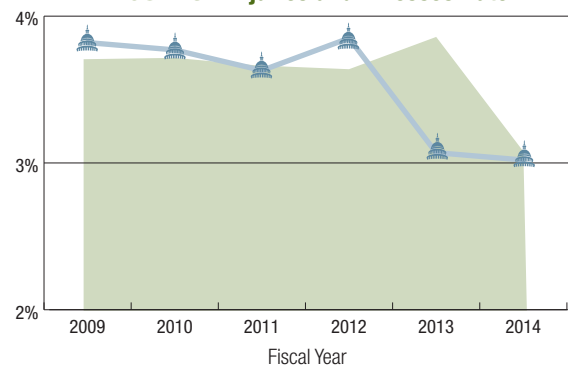


**FIGURE 50: Preventive Maintenance Work Order Timeliness****FIGURE 51: Adherence to Cleaning Standards****TABLE 31: Performance Indicator—Injuries and Illnesses Rate**

FY 2014 Target	<3.07% (Better than previous year, based on the Department of Labor's Protecting Our Workers and Ensuring Reemployment (POWER) initiative)
Performance	3.02%
Target Met	Met

The safety of AOC's employees is paramount to the success of the organization. AOC measures the effectiveness of safety programs through the injuries and illnesses rate that accounts for injury claims sent to the Department of Labor (DOL). The FY 2014 rate decreased from prior years. The number of reportable claims dropped by 6.6 percent (from 75 in FY 2013 to 70 in FY 2014). The number of lost time claims dropped 31.9 percent (from 47 in FY 2013 to 32 in FY 2014). This drop is a testament to AOC's continued efforts to provide a safe work environment and educate staff on how to perform their job safely. AOC continues to improve its safety record, further reducing the injuries and illnesses rate to levels that are usually found in organizations comprised almost exclusively by office professionals.

In FY 2014 employees rated AOC's commitment to safety through the agency-wide Organizational Assessment Survey. Safety returned the second highest favorability score (84.2 percent), immediately behind favorability with Strategy and Service (84.3 percent). These survey results confirmed the extent to which "Safety First" is deeply embedded in AOC's ways of working. **Table 32** and **Figure 52** provide the trend data for this indicator. For FY 2009–FY 2011, the target is based on the Department of Labor's Safety, Health and Return-to-Employment (SHARE)

**FIGURE 52: Injuries and Illnesses Rate****TABLE 32: Injuries and Illnesses Rate**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	3.69%*	3.71%*	3.66%*	<3.63%*	<3.85%*	<3.07%
Injuries and Illnesses	3.82%	3.77%	3.63%	3.85%	3.07%*	3.02%
Target Met	Not Met	Not Met	Met	Not Met	Met	Met

**Definition:** Number of injury claims sent to DOL in the fiscal year divided by average number of employees in the fiscal year

**Source:** Number of injuries sent to DOL: HCMD, Employee Relations Branch National Finance Center bi-monthly information data file via ODS for number of employees

**Note:** Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)

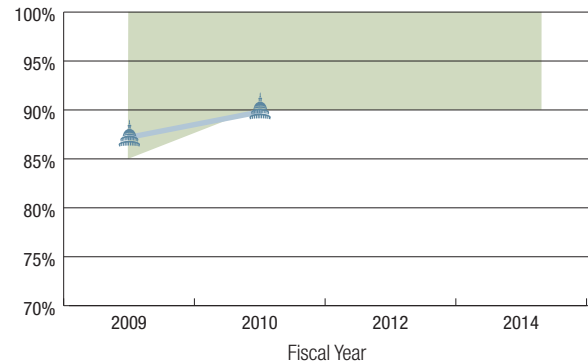
**Table 33: Performance Indicator—Customer Satisfaction with Cleanliness**

FY 2014 Target	90.0% of survey responses indicate satisfaction with cleanliness level
Performance	N/A
Target Met	Other

initiative. For FY 2012–FY 2014, the target is based on the POWER initiative.

AOC uses a lagging indicator to confirm customer satisfaction with its cleaning program. The indicator is built on the biennial Building Services Customer Satisfaction Survey (BSCSS). **Table 33** provides the FY 2014 overview of this performance indicator. AOC conducted the customer satisfaction survey annually through FY 2010, at which point it was temporarily suspended—results were rather consistent and building occupants were starting to show signs of survey fatigue. Starting in FY 2011, AOC redesigned the approach by shifting to a biennial cycle, simplifying the questions, and designing a completely new and innovative delivery mechanism that would enable AOC to establish a very customer-centric follow-on program. As a result of the re-design, no survey was conducted in FY 2012. While AOC originally scheduled the deployment of its BSCSS for the summer of 2014, the timing was not convenient for its customers since it interfered with a congressional recess during an election year. AOC has revised its survey schedule to deploy it biennially in non-election years, thus increasing the convenience of the survey for our customers. **Table 34** and **Figure 53** show survey results.

**Future Strategy Efforts:** Looking ahead, AOC has not planned any major changes to either the preventive maintenance or

**FIGURE 53: Customer Satisfaction with Cleanliness**

facility cleaning programs beyond sustaining and fine-tuning them. As the volume of program data increases, AOC will gain a more refined insight that will enable program adjustments where and as needed. To improve on the injuries and illnesses rate, AOC will continue to integrate safety, fire protection, environmental compliance and emergency preparedness considerations into operations and construction projects. Additional efforts will leverage evolving technologies and their impact on management. AOC operations rely heavily on a computer-aided facility management system that transitioned from desktop to Web-based in FY 2014. As the agency identifies the proper systems to use for various information needs and internal controls, AOC must monitor such transformations to integrate safety considerations into operations. For example, SharePoint technology will allow AOC to develop and implement an Asbestos Inventory Management and Permit Control System across the agency.

**TABLE 34: Customer Satisfaction with Cleanliness**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	85.0%	90.0%	N/A	90.0%	N/A	90.0%
Survey Results	87.2%	89.8%	N/A	N/A	N/A	N/A
Target Met	Met	Not Met	N/A	N/A	N/A	Other

**Definition:** Number of satisfied responses divided by number of significant responses (excludes "N/A" and null responses). The results are the non-weighted average of all five questions for AOC.

**Source:** Building Services Customer Satisfaction Survey

**Note:** The survey was not planned for FY 2011 or FY 2013 (biennial off-years). The survey for FY 2012 was suspended. A survey was planned but not conducted in FY 2014.





## In Focus

### Olmsted Terrace Stone Preservation

The Olmsted Terrace was designed by Frederick Law Olmsted and his team of designers between 1874 and 1890, and was completed by 1894. The marble Terrace walls, which span the north, west and south sides of the U.S. Capitol, provide a strong visible architectural base and heightens the grandeur of the building. The Terrace extends approximately 1,600 lineal feet and rises about 20 feet in height at its highest point. During the last 120 years, there has been little maintenance performed on the stone and conditions of the Terrace have deteriorated over time. A recent materials condition survey found that the marble and granite are stained and damaged, and require a number of different types of maintenance and repairs.

To properly restore the Olmsted Terrace, in FY 2014 the AOC started a phased, multi-year project that will repair, clean and preserve the masonry at the Terrace walls of this historic building. Repairs include deconstructing and rebuilding some of the walls, repointing, patching holes, cleaning the stone, and trimming and removing trees and bushes along the Terrace walls. Work has begun on the first phase which includes the northeast approach walls, stairs and the eastern portion of the north Terrace wall. Work includes the assembly of scaffolding and cranes to remove heavy stones. Currently, AOC masons are dismantling the north side approach steps and approach walls, which had settled and shifted over the years and are therefore being removed and reinstalled.

Subsequent phases of this rehabilitation of the exterior stone at the U.S. Capitol is expected to be completed between April and October for the next five years.

More information is available at [www.aoc.gov/terrace](http://www.aoc.gov/terrace).

## Strategic Objective 3.2: Strengthen our Facilities through Asset Lifecycle Management

AOC's strategies for this objective include:

- Establish a world-class maintenance program.
- Integrate facilities asset management processes and practices.
- Establish an integrated enterprise information model for facilities management.
- Prepare our facilities to be a model workplace of the future.

**Discussion:** AOC's FY 2014 efforts under this objective focused on completing AOC's Enterprise Geographical Information System (GIS) development and fielding a Facility Data User Interface. These tools will provide employees with data about AOC's facilities so they can make decisions and plan their work. Sometimes getting authoritative data is challenging, and through the Computer Aided Facility Management Program, AOC is developing a map-based tool to make data easier to find and use. This Web-based tool is being built using the existing enterprise geographic information system and applying lessons learned from the HOB's 2012 and 2014 Congressional Moves Suite finder application—which used the same technology. The Enterprise GIS is now in place and two prototype applications are in production. AOC's development of a comprehensive Web-based GIS application is projected to be completed by the end of calendar year 2014 with a phased deployment to follow.

AOC also undertook efforts to maximize the use of Building Information Modeling (BIM) software for the facility lifecycle including design, construction, operations and maintenance. BIM software allows users to model and imitate aspects of buildings in two- and three-dimensional electronic format. BIM implementation at the agency is in a very early stage. The Technical Support Division developed a draft BIM Guide and a BIM workspace for future AOC designers and contractors to use when developing BIM-based designs.

In addition, AOC addressed data security concerns and increased the transparency of its facility data. Specifically, AOC made secure file transfer protocol software available for staff to use to transfer sensitive documents to persons or organizations outside of AOC's firewall.

As part of efforts to prepare facilities to be a model workplace of the future, AOC made a variety of options that promote employee collaboration and concentration. The Design Services Division started incorporating workplace of the future initiatives into space planning projects as applicable and/or feasible. In particular, AOC has an

interest in increasing the ratio of meeting space to individual workspace, as well as improving peer-to-peer communication and collaboration through strategic co-location.

AOC supported workforce mobility through alternate work sites, hoteling and technology integration. AOC researched systems furniture that can be easily re-configured to adapt to workforce changes and accommodate a variety of working styles and technology. For example, as employees become more mobile, workstations must accommodate desktop or laptop computers.

AOC measures progress under this objective through the timeliness of corrective maintenance work orders. This indicator provides a measure of AOC's efficiency in addressing unscheduled maintenance efforts.

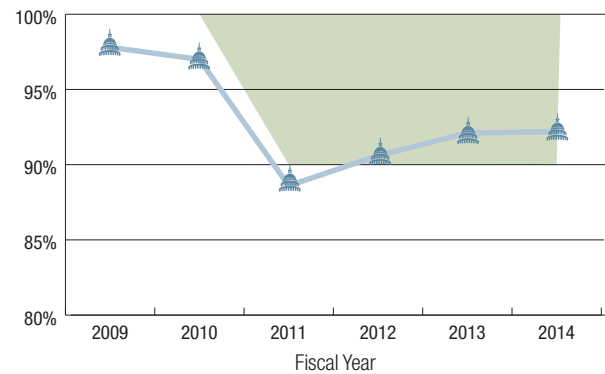
**Table 35** provides the FY 2014 overview of this performance indicator.

**TABLE 35: Performance Indicator—Corrective Maintenance Work Orders Timeliness**

FY 2014 Target	90.0% of corrective maintenance work orders are completed as planned
Performance	92.2%
Target Met	Met

In FY 2014 AOC completed over 93,000 corrective maintenance (CM) and reoccurring work (RW) orders on time out of 101,000 received for the year, a timeliness completion rate of 92.2 percent. An additional 7,500 work orders were completed in FY 2014, albeit late, bringing the total completion rate to 99.6 percent. **Table 36** and **Figure 54** provide the six-year trend in timeliness. Fiscal Year 2009–FY

**FIGURE 54: Corrective Maintenance Work Orders Timeliness**



2010 figures represent closure rate whereas FY 2011–FY 2014 represent closure within the planned cycle time.

**Future Strategy Efforts:** To strengthen AOC facilities through asset lifecycle management, AOC will begin the phased deployment of iterative updates to the comprehensive Web-based GIS application that will enable AOC staff to reach far more complete information on any building location where work needs to take place. Looking ahead, AOC will also upgrade and configure AOC's BIM workspace so that it could be exported for others to use for design and modeling. Since BIM technology is still relatively new and Capitol Hill facilities are unique, AOC's roadmap will help ensure that it is implemented in a methodical way to align with planned design and construction projects.

**TABLE 36: Corrective Maintenance Work Orders Timeliness**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	N/A*	N/A*	90.0%	90.0%	90.0%	90.0%
Timeliness	97.8%*	97.0%*	88.6%*	90.6%*	92.1%*	92.2%
Target Met	Other*	Other*	Not Met	Met	Met	Met

**Definition:** Number of corrective maintenance (CM) and reoccurring work (RW) work orders closed within cycle time divided by number of CM and RW work orders received

**Source:** WebTMA, AOC's Work Order Management System as extracted from the Executive Dashboard

**Note:** Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)



### Strategic Objective 3.3: Promote a Culture of Resource Conservation

AOC's strategies for this objective include:

- Improve facilities asset performance.
- Integrate sustainable practices into business operations.
- Strengthen a culture of sustainability with stakeholders and external organizations.

**Discussion:** AOC has a legacy of sustainability that began with the laying of the Capitol cornerstone in 1793. Sustainability is incorporated into AOC operations, maintenance, and planning at all levels. Sustainable practices include improving energy and water efficiency, using low-impact materials, promoting health and wellness, sustaining our natural sites, and practicing comprehensive recycling and providing sustainability guidance to divisions across Capitol Hill. More information on AOC's sustainability practices is available at [www.aoc.gov/strategic-initiatives/sustainability](http://www.aoc.gov/strategic-initiatives/sustainability).

In FY 2014 AOC focused on enhancing the Capitol Power Plant's production and distribution efficiencies. As part of this effort, chilled water production efficiency is being improved by optimizing the free cooling cycle. In addition, steam production efficiency continues to be achieved through annual boiler tunings which increase combustion efficiency and minimize in-plant losses. AOC also completed a feedwater pump project and addressed steam distribution system performance. This latter effort is being tackled through a concerted preventive maintenance

program focused on piping insulation, steam traps and improvement of the condensate return.

AOC also improved equipment efficiency as a way to increase energy performance of AOC-managed buildings. AOC now employs High Performance Building criteria—identified in the agency's new Sustainability Guidelines and Resource Guide—when selecting new equipment or retrofitting existing equipment. In addition, AOC included efficiency/performance data in the contract for Facility Condition Assessments.

AOC undertook a number of efforts as part of improving the operations and management of building systems. AOC decommissioned the majority of legacy pneumatic systems and plans a full conversion for several office buildings, in addition to the projects already underway to convert constant volume systems to variable air volume systems. AOC is providing ongoing systems-specific training in both traditional classroom format and on-site delivery, implementing its Building Automation System Master Plan, producing systems documentation (such as manuals and drawings) and performing system-focused energy audits as specified in the commissioning program.

In order to track and document progress, AOC installed advanced building-level metering on all utilities and condensate systems as well as selected sub-metering systems throughout Capitol Hill. The Utility Metering Enterprise System, which focuses on analysis and reporting, was completed last year and is being actively managed.

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## Manuela Acors

Custodial Worker Supervisor, AOC House Office Buildings

Manuela Acors, Custodial Worker Supervisor, reflects all that AOC is expecting from an employee ambassador for the agency. At the House Office Buildings, Ms. Acors acknowledges and speaks to everyone she meets to make them feel welcome. At the start of every shift, she checks all committees and floors for use and expedites all work order requests. Ms. Acors proactively takes ownership of all the facilities she works in. Her dedication and professionalism are unmatched.

AOC measures performance against this objective through its reduction in energy consumption. **Table 37** provides the FY 2014 overview of this performance indicator. Although AOC reduced energy consumption by 25.5 percent over the FY 2003 baseline, AOC did not meet the interim FY 2014 energy reduction target of 27 percent. This year, AOC was challenged after a very cold winter that increased the demand for heating across Capitol Hill. Additionally, with the recent completion of the AOC's three Energy Savings Performance Contracts, meeting the future mandated energy reduction targets will be more difficult because projects that yielded quick financial paybacks are already in place.

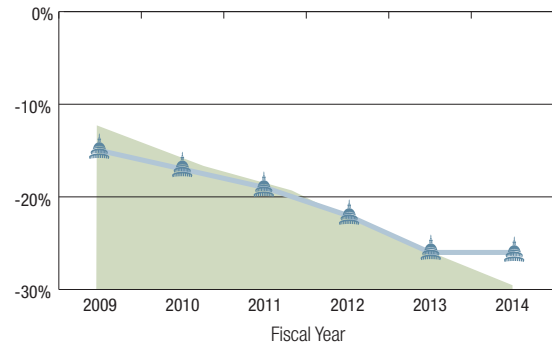
**TABLE 37: Performance Indicator—Reduction in Energy Consumption**

FY 2014 Target	-27% (Reduce energy consumption 3% each year over the baseline of FY 2003)
Performance	-25.5%
Target Met	Not Met

AOC's sustainability practices continue to produce reductions in energy consumption, although the agency did not meet this last interim target ahead of the legislatively mandated 30 percent reduction by FY 2015. **Table 38** and **Figure 55** provide the six-year trend in AOC's reduction of energy consumption.

**Future Strategy Efforts:** Looking ahead, AOC will continue to advance sustainability concepts into AOC business practices. The Capitol Power Plant continues to play an essential role in AOC's long-term conservation efforts. These include forward-thinking strategies such as cogeneration, which is an energy-efficient and cost-effective way to generate both steam and electricity using one source of fuel. During FY 2015, Strategy Owners in this goal will continue to advance the initiatives aimed at updating building systems and leveraging internal knowledge with technology advances.

**FIGURE 55: Reduction in Energy Consumption**



### Strategic Objective 3.4: Provide Superior Project Delivery

AOC's strategies for this objective include:

- Leverage best-in-class project management principles.
- Strengthen facilities planning.

**Discussion:** AOC's Planning and Project Management (PPM) coordinates the strategy efforts under this objective, which comprise the normal duties of that office. Project delivery encompasses project management and facilities planning—key components of the planning efforts to maintain the facilities and grounds under AOC's care.

In FY 2014, AOC focused on identifying and defining current project management and construction management processes, programs and practices in use across the jurisdictions and within central staff offices. The strategy team meets regularly and has been reviewing the three different types of projects conducted in the jurisdictions (in-house, Construction Division and third-party contractor). The team is using the Implementation Process Action Tool (IMPACT) tool developed by the Vision-to-Action research team under the auspices of the Construction Industry Institute (CII) Strategy Committee. The tool is

**TABLE 38: Reduction in Energy Consumption**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	≤-12%	≤-15%	≤-18%	≤-21%	≤-24%	≤-27%
Reduction	-15%	-17%	-19%*	-22%*	-26%*	-25.5%
Target Met	Met	Met	Met	Met	Met	Not Met

**Definition:** Energy used (in British Thermal Units) per square foot in current year divided by the energy used per square foot in FY 2003

**Source:** Sustainability Division and Capitol Power Plant

**Note:** Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)



used: (1) to identify and define the gap that exists between the initial step of establishing a vision for new practices and the overall implementation process and (2) to help organizations find the best ways to address the challenge of closing that gap. In FY 2014, AOC sent out the initial IMPACT survey. AOC will use survey responses to identify project management best-in-class practices internally and externally and determine any existing gap that needs to be filled.

AOC also focused on developing a Facility Asset Management Plan. The strategy team for this effort also met regularly and focused on knowledge building. Similar to the above strategy, the team is also currently utilizing the IMPACT Tool from CII and will review the questionnaire results to better understand knowledge gaps in AOC's processes.

AOC measures progress under this initiative through the combined results of the Design Projects Customer Satisfaction Survey and the Construction Projects Customer Satisfaction Survey. **Table 39** provides the FY 2014 overview of this performance indicator.

**TABLE 39: Performance Indicator—Customer Satisfaction with Projects**

FY 2014 Target	90.0% of projects are rated by clients as satisfactorily completed
Performance	100.0%
Target Met	Met

Satisfaction with PPM's design and construction project services continues to exceed the target for this indicator for the third consecutive year. The Design Services, Project Management and Construction Divisions continue to deliver design and construction projects that are rated as satisfactory by the overwhelming majority of surveyed clients. This year, 100 percent of projects evaluated were rated by clients as satisfactorily completed. This result reinforces the importance that AOC puts on project delivery, one of the four strategic focus areas for FY 2014. **Table 40** and **Figure 56** provide the six-year trend for the combined ratings of the surveys.

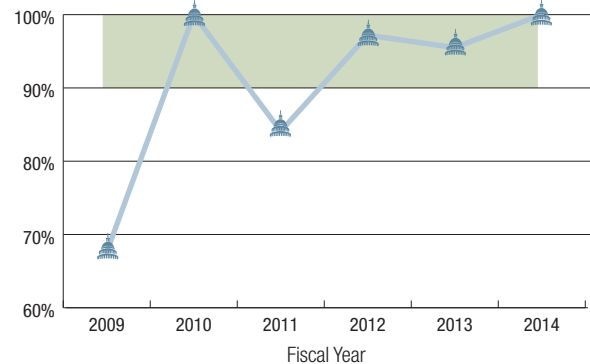
**TABLE 40: Customer Satisfaction with Projects**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Performance	67.6%	100.0%	84.1%	97.2%	95.5%	100.0%
Target Met	Not Met	Met	Not Met	Met	Met	Met

**Definition:** Number of satisfied responses divided by the number of significant responses (excludes "N/A" and null responses)

**Source:** Design Projects Customer Satisfaction Survey and Construction Projects Customer Satisfaction Survey

**FIGURE 56: Customer Satisfaction with Projects**



**Future Strategy Efforts:** In FY 2015, AOC will identify project management best-in-class practices internally and externally using the initial IMPACT survey results. Next steps will include implementing those practices that align with AOC and monitor the results. The team also plans to design and implement a talent development program that fosters a culture of continuous improvement and learning. Future facilities planning efforts include reviewing the survey results to understand any knowledge gaps in AOC's facility management processes. The strategy team also plans to develop a Planning Excellence Program, as well as a Planning Engagement Strategy. The Planning Excellence Program is aligned with this objective's strategy to leverage best-in-class project management principles and uses the concept of positive deviance. Through this approach, AOC identifies best practices among current project management and construction management processes and applies these practices to all units. Through the Planning Engagement Strategy, AOC will develop a comprehensive Facility Asset Management Plan and integrated planning process to guide AOC construction projects, each with a relevant engagement and outreach component. The plan provides a broad perspective of the assets entrusted to AOC's care while maintaining an adequate level of detail to drill down to individual facilities.



The Capitol Visitor Center provides support for special events hosted within congressional meeting and event spaces. Here, a November 2013 Congressional Gold Medal Ceremony for the Native American Code Talkers takes place.

## Strategic Goal 4: Extraordinary Services

### Going the Extra Mile

*AOC will provide proactive, professional, and integrated services that exceed clients' and visitors' expectations by understanding and anticipating their needs.*

This goal serves to generate an organizational culture where AOC employees take ownership of client needs and proactively coordinate with the service providers to resolve issues. Under this goal, the term "client" includes Members of Congress, their staffs and constituents, visitors to Capitol Hill, employees of other Federal agencies and AOC's internal customers. This goal largely encompasses AOC's visitor service mission as well.

*Extraordinary Services* includes two strategic objectives:

- Provide extraordinary client services.
- Educate, inform and inspire the Capitol Hill visitor experience.

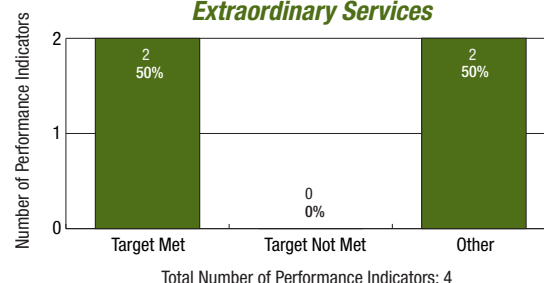
The performance results achieved in FY 2014 for this goal are depicted in **Figure 57**.

## Extraordinary Services

### Activities focus on:

- Customer service
- Taking ownership of delivery
- Projects aimed at broadening the concept of "customer" to include internal and external customers

**FIGURE 57: Results Achieved for Extraordinary Services**





### Strategic Objective 4.1: Provide Extraordinary Client Services

AOC's strategies for this objective include:

- Improve AOC service delivery for both internal and external customers and clients.
- Increase efficiencies and transparency in the AOC acquisition process.
- Enhance AOC efficiency through integrated services.

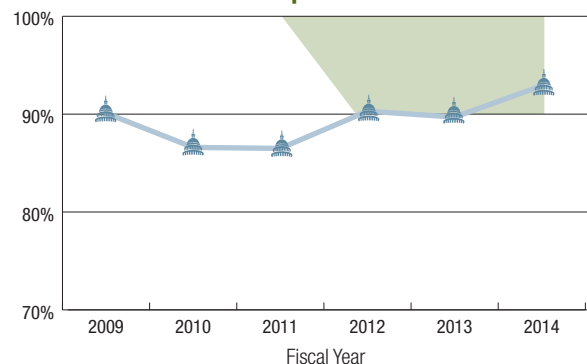
**Discussion:** AOC's FY 2014 focus included establishing a Customer Service program. The strategy team presented the AOC Customer Service Philosophy and Standards of Behavior to the Executive Leadership Team and received approval to proceed with its implementation. The team is currently working on the program plan, training plan, and a video message to roll out the new philosophy and behaviors to all AOC employees.

AOC also focused on providing structure and increasing transparency and efficiency for the agency's acquisition process. As part of this work, the Acquisition and Materials Management Division (AMMD) developed a new Contracting Manual to guide procurement activities at AOC, including mandatory requirements that must be complied with when purchasing goods and services using appropriated or revolving funds. The Manual was signed by the Architect in March 2014 and its roll out began. To help increase efficiency of the acquisition process, AMMD sponsored multiple training sessions on the new Contracting Manual throughout the fiscal year.

The Information Technology Division (ITD) continues to work tirelessly to reimagine, recharge, and reshape AOC's enterprise IT. Their goal is to provide AOC staff with modern equipment and business software to support them in accomplishing the mission. ITD retired end-of-life equipment and regularly tech-refreshed aging technology, within fiscal constraints.

AOC measures progress against this objective through three performance indicators. Service Request Work Orders

**FIGURE 58: Service Requests Work Order Timeliness**



Timeliness tracks service request work orders completed as scheduled. Building Services Customer Satisfaction Survey (BSCSS) results captures satisfaction levels with key areas such as service delivery, cleanliness and building condition, and Perception of Internal Service Provider (ISP) Improvements measures perceived improvements in service delivery from AOC's internal service providers. **Tables 41, 43 and 45** provide the FY 2014 overviews of these performance indicators.

**TABLE 41: Performance Indicator—Service Request Work Orders Timeliness**

<b>FY 2014 Target</b>	90.0% of service requests are completed as promised
<b>Performance</b>	92.9%
<b>Target Met</b>	Met

AOC measures progress against this objective through the timeliness of completing service request work orders. Service requests may include a multitude of tasks, such as creating custom cabinetry, hanging pictures, supporting

**TABLE 42: Service Request Work Orders Timeliness**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	N/A*	N/A*	N/A*	90.0%	90.0%	90.0%
Performance	90.1%	86.6%	86.5%	90.3%	89.7%	92.9%
Target Met	Other*	Other*	Other*	Met	Not Met	Met

**Definition:** Service request work orders closed within cycle time divided by total service request work orders due

**Source:** WebTMA, AOC's Work Orders Management System

**Note:** Information adjusted from that reported in the FY 2013 PAR is marked with an asterisk (\*)

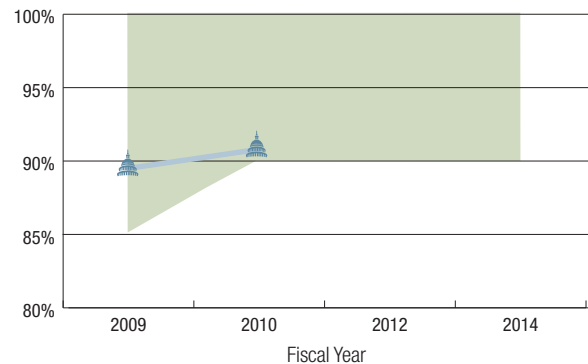
special events or other jobs for AOC's clients. In FY 2014, AOC completed nearly 82,000 service request work orders on time out of 88,000 received during the year, a timeliness completion rate of 92.9 percent. An additional 6,000 service request work orders were completed in FY 2014, albeit late, bringing the total completion rate to 99.8 percent. This result continues to demonstrate the dedication of AOC trades to provide extraordinary service to clients and to strive to meet the aggressive 90 percent timeliness rate target. **Table 42** and **Figure 58** provide the six-year trend in timeliness. Fiscal Year 2008–FY 2011 figures represent completion rates whereas FY 2012–FY 2014 represent completion within the planned cycletime.

**TABLE 43: Performance Indicator—BSCSS Overall Customer Satisfaction Results**

FY 2014 Target	90.0% of survey responses indicate satisfaction with services
Performance	N/A
Target Met	Other

AOC previously tracked performance against this objective by measuring customer satisfaction levels as captured in the BSCSS. This survey measured service delivery areas, such as cleanliness and building conditions. The survey was conducted on an annual basis between FY 2002 and FY 2010, at which point it was temporarily suspended—results were rather consistent and building occupants were starting to show signs of survey fatigue. AOC redesigned

**FIGURE 59: Building Services Customer Satisfaction Survey Results**



the approach by shifting to a biennial cycle, simplifying the questions, and designing a completely new and innovative delivery mechanism that would enable AOC to establish a very customer-centric follow-on program. As a result of the re-design, no survey was conducted in FY 2012. While AOC originally scheduled the deployment of its BSCSS for the summer of 2014, the timing was not convenient for customers since it interfered with a congressional recess during an election year. AOC has revised its survey schedule to deploy it biennially in non-election years, thus increasing the convenience of the survey for our customers. **Table 44** and **Figure 59** show survey results.

**TABLE 44: Building Services Customer Satisfaction Survey Results**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	85.0%	90.0%	N/A	90.0%	N/A	90.0%
Performance	89.5%	90.8%	N/A	N/A	N/A	N/A
Target Met	Met	Met	N/A	N/A	N/A	Other

**Definition:** Number of satisfied responses divided by number of significant responses (excludes "N/A" and null responses)

**Source:** Building Service Customer Satisfaction Survey, September 2014

**Note:** The survey was not planned for FY 2011 or FY 2013 (biennial off-years). The survey for FY 2012 was suspended. A survey was planned but not conducted in FY 2014.



TABLE 45: Performance Indicator—Perception of ISP Improvements

FY 2014 Target	50.0% or more survey respondents indicate they notice improvements
Performance	N/A
Target Met	Other

AOC also measured its client service performance by measuring perceived improvements in services delivered by AOC’s internal service providers (ISP). The informal target was that at least one-half of survey respondents would indicate having noticed service improvements. AOC had planned to conduct the ISP survey towards the end of calendar year 2013, but this plan was de-prioritized to fully support the development of AOC’s Customer Service Philosophy, which is one of the main strategies in this goal. AOC decided to postpone the ISP survey so that it can be aligned with the philosophy’s content. AOC will establish a new date and reoccurrence for the ISP survey in parallel with the deployment of the philosophy. The deployment and sustainment plan will dictate what new performance measures to develop and where to set their new targets. The ISP survey could potentially be only one of a series of indicators.

**Future Strategy Efforts:** For the agency’s Customer Service program, AOC will finalize the program plan, training plan

and a video message to roll out the new philosophy and behaviors to all AOC employees. By the end of calendar year 2014, AOC will award a contract to develop the video message. The video will also be incorporated into the new employee orientation program as appropriate. AOC plans to award a contract for a customer service training program to be offered to all AOC employees as well. Development and launch of the training program is scheduled to be completed within calendar year 2014, with training continuing through the end of FY 2015. During FY 2015, AOC plans to design the Customer Service Philosophy Program performance indicators and start collecting measurement data.

Also, during FY 2015, AMMD plans to continue holding training sessions on the new Contracting Manual. Sessions will be planned to ensure that the manual’s contents are properly disseminated among all AOC staff that need the information.

AOC will also redesign the BSCSS delivery mechanism, re-evaluate its scope, and potentially run the new survey within FY 2015.

AOC will also look at conceptualizing, recharging, and reshaping its enterprise IT to provide AOC staff with modern equipment and business software to support them in their mission. As part of this effort, AOC will retire end-of-life equipment and regularly refresh aging technology within fiscal constraints.



SERVE ♦ PRESERVE ♦ INSPIRE

## Beth Ahern

Gardener, U.S. Botanic Garden

Beth Ahern, Gardener at the U.S. Botanic Garden (USBG), stewards several outdoor displays including the USBG Children’s Garden. She consistently inspires the USBG staff through her everyday actions. Beth exemplifies the AOC’s *Serve—Preserve—Inspire* motto through her positive attitude and willingness to help others where and when needed. Beth finds the positive in every challenge and gathers support from coworkers to create positive team cohesion.

## Strategic Objective 4.2: Educate, Inform, and Inspire the Capitol Hill Visitor Experience

AOC's strategies for this objective include:

- Enhance opportunities for memorable visitor experiences that educate and inform.
- Enhance the visitor experience through effective use of digital media and tools.
- Facilitate the development of a collaborative Capitol Hill visitor experience.

**Discussion:** AOC's efforts directed towards this objective are intended to ensure that AOC's visitors receive an enriching, memorable and inspirational experience at the Capitol. AOC works to provide more opportunities for visitors to experience the Capitol, embrace technology and new media to improve visitor experiences and create a comprehensive experience.

In FY 2014, AOC efforts included educating, informing and inspiring AOC employees and volunteers. As part of this work, the strategy team developed a new employee orientation program that was implemented in early 2014. The revamped two-day on-boarding program now includes an in-person welcome by the Architect of the Capitol along with a comprehensive overview of the agency and a tour of the U.S. Capitol.

AOC also continued enhancing its operations to provide an exceptional experience for visitors who tour the U.S. Capitol. These enhancements included offering a new War of 1812 tour, expanding the Exhibition Hall Encounters Program and incorporating new middle-school civics curriculum into the standard Capitol tour. Additionally, AOC continued to expand the second season of educational student programs.

At the U.S. Botanic Garden (USBG), the agency sought to connect with Americans visiting Washington, D.C. from the agricultural parts of the country by featuring the crop plant wheat in the "Amber Waves of Grain" summer exhibit. This exhibit featured the work of famed biologist Dr. Norman Borlaug, who was honored by Congress in the spring of 2014 with a statue in the National Statuary Hall. The USBG

created, in collaboration with the Capitol Visitor Center, a number of programs, exhibits and lectures to coincide with the unveiling of the statue.

In FY 2014 AOC continued focusing on expanding visitor engagement and targeting its reach to educate and inform the public about the buildings and grounds of Capitol Hill, the AOC and major projects underway. This work included redesigning the agency public internet site, [www.aoc.gov](http://www.aoc.gov), to make it fully compatible with mobile technology. Thirty percent of the site's 2.4 million visitors accessed it using a mobile device. In addition, AOC conducted extensive media outreach for the Capitol Dome Restoration that included features on CBS' 60 Minutes program (see *In Focus: 60 Minutes Recognizes the U.S. Capitol Dome's Anniversary* in the Appendices of this report), *The Washington Post*, CNN, NBC and *The Wall Street Journal* among others. An AOC social media survey of its 68,000 Twitter followers, 7,000 Facebook followers and 5,000 Instagram followers demonstrated their 100 percent favorable impression of the AOC and its work.

AOC measures progress under this objective with one performance indicator, online customer satisfaction survey score. This indicator tracks online visitors' satisfaction with the CVC website ([www.visitthecapitol.gov](http://www.visitthecapitol.gov)).

**Table 46** provides the FY 2014 overview of this performance indicator.

**TABLE 46: Performance Indicator—Online Customer Satisfaction Survey Score**

<b>FY 2014 Target</b>	At or above the benchmark set at 80. A score of 80 or above is considered excellent, in the framework of the American Customer Satisfaction Index (ACSI) E-Government Satisfaction Index published by ForeSee.
<b>Performance</b>	82
<b>Target Met</b>	Met

The ACSI measures government agencies, companies, industries, and sectors annually. This allows government entities to track user satisfaction with the quality of their services over time and compare these results to other organizations in both the private and public spheres.

**TABLE 47: Online Customer Satisfaction Survey Score**

Fiscal Year	2009	2010	2011	2012	2013	2014
Target	N/A	N/A	No Target Assigned			80
Score	N/A	N/A	81	82	82	82
Target Met	N/A	N/A	Other	Other	Other	Met

**Definition:** Percentage of online visitors satisfied with the CVC website

**Source:** ForeSee (Publisher of the American Customer Satisfaction Index)



## In Focus

### Special Events at the Capitol

Throughout the year, the Capitol Visitor Center (CVC) provides support for hundreds of special events that occur within the CVC's congressional meeting and event spaces. While the center closes to the general public at 4:30 p.m., Congressionally-sponsored events may occur from early morning to 11 p.m. The Congressional Auditorium, with a seating capacity of 450, is the largest of the event spaces.

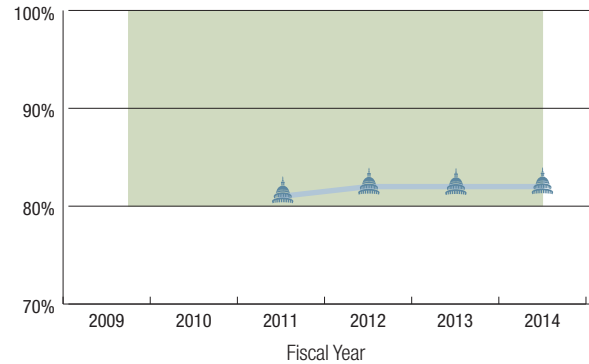
During FY 2014, CVC worked with its partners in the U.S. House of Representatives, U.S. Senate and the U.S. Capitol Police to support a number of high-profile special events. The CVC was responsible for developing informational materials such as a two-page fact sheet produced for the unveiling of the bust of Winston Churchill in National Statuary Hall in October 2014. Communication materials and fact sheets were also developed for engaging visitors and guests attending notable events such as the Gold Medal Ceremony for the Native American Code Talkers (November 2013); the statue unveiling of Dr. Norman Borlaug (March 2014); and the Gold Medal Ceremony for Raoul Wallenberg (June 2014). Other special events included annual rehearsals and concerts for the Memorial Day, Independence Day and Labor Day holidays, along with President Obama's State of the Union Address in January 2014.

Throughout the fiscal year, CVC provided exceptional customer service to Congress. Conducting safety and security planning, cleaning, maintaining the sound system infrastructure, preparing the lighting, and monitoring the electronic temperature system are part of its role. From congressional staff meetings to confidential briefings to high-profile functions that included catering services and complex audio-visual requirements, CVC employees were present at all events and worked diligently to ensure that events proceeded seamlessly and with no disruption to Capitol activities.

A look at the numerous special events hosted by the CVC can be found at [www.aoc.gov/nations-stage](http://www.aoc.gov/nations-stage).

**FIGURE 60: Online Customer Satisfaction Survey Score**

*Green area shows level considered "Excellent" in the framework of the ACSI E-Government Satisfaction Index.*



Websites across 103 federal agencies scored an average of 74.8 for visitor satisfaction. A score of 80 or above is considered excellent, in the framework of the American Consumer Satisfaction Index E-Government Satisfaction Index published by ForeSee. AOC's Capitol Visitor Center website ([www.visitthecapitol.gov](http://www.visitthecapitol.gov)) received an average score of 82 from 1,904 respondents in FY 2014. **Table 47** and **Figure 60** provide the six-year trend in timeliness. For FY 2015, the CVC will be identifying a new measure to replace the ForeSee indicator.

Starting in FY 2015, AOC will stop using the ForeSee E-Government Satisfaction Score because it is a lagging measure of performance in this area. AOC is in the process of developing a set of leading indicators to better guide action.

**Future Strategy Efforts:** AOC's Human Capital Management Division is working on potential enhancements to the agency's orientation program, including developing a specific portion of the orientation for supervisors. In addition, in FY 2015, the CVC will begin to transition to and implement a new Advance Reservation System, the online reservation system that visitors, congressional offices and professional tour organizations use to reserve U.S. Capitol tour passes. In addition, the CVC will continue to refine a strategy for refreshing the CVC Exhibition Hall, which will be 10 years old in 2018. As part of this effort, in FY 2015 the CVC will evaluate how well the Exhibition Hall is achieving its interpretive goals and will continue working on a plan for modifying the content of Exhibition Hall in order to engage visitors and achieve greater impact.

AOC will also begin renovation of Bartholdi Park to enhance visitor accessibility to the park and improve sustainability. These changes will help create memorable visitor experiences that educate and inform. The target completion date is spring 2016 and includes certification according to SITES v.2.







## Behind the Scenes

# U.S. Botanic Garden

The U.S. Botanic Garden (USBG) is a living plant museum that informs visitors about the importance, and often irreplaceable value, of plants to the well-being of humans and to earth's fragile ecosystems.

More than 200 years ago, George Washington had a vision for the capital city of the United States that included a botanic garden that would demonstrate and promote the importance of plants to the young nation. Established by the U.S. Congress in 1820, the U.S. Botanic Garden is one of the oldest botanic gardens in North America. Since 1934, it has been administered through the Architect of the Capitol.

The USBG's public areas include the Conservatory and approximately eight acres of surrounding gardens encompassing the National Garden and the two acre Frédéric Auguste Bartholdi Park. The USBG is also responsible for the administration building and a plant production and support facility with 36 greenhouse bays, several outdoor nursery areas, storage areas, and maintenance shops.

The U.S. Botanic Garden has been recognized as a museum and is accredited by the American Association of Museums. This accreditation is a widely recognized seal of accomplishment that recognizes a museum's commitment to excellence, accountability, high professional standards and continued institutional improvement.

See more at: [www.usbg.gov](http://www.usbg.gov).











## Section III:

# Financial Information



## Introducing the Principal Financial Statements

The Principal Financial Statements (Statements) have been prepared to report the financial position and results of operations of the Architect of the Capitol (AOC). The Statements have been prepared from the books and records of the AOC in accordance with formats prescribed by the Office of Management and Budget (OMB) in OMB Circular A-136, *Financial Reporting Requirements*, revised. The Statements are in addition to financial reports prepared by the AOC in accordance with OMB and U.S. Department of the Treasury (Treasury) directives to monitor and control the status and use of budgetary resources,

TOP, LEFT AND OPPOSITE RIGHT: In FY 2014 AOC continued restoration work on the replication of the subtle decorative painting finishes in the Senate Reception Room, S-213. The final report on the study and testing of the ceiling will guide its future restoration.





which are prepared from the same books and records. The Statements should be read with the understanding that they are for a component of the U.S. Government, a sovereign entity. The AOC has no authority to pay liabilities not covered by budgetary resources. Liquidation of such liabilities requires enactment of an appropriation.

### **Balance Sheet**

Provides comparative information on AOC's Assets, Liabilities and Net Position (Unexpended Appropriations and Cumulative Results of Operations). Net Position represents the Net Investment of the U.S. Government in AOC's assets less liabilities.

### **Statement of Net Cost**

Provides the comparative gross costs incurred by responsibility segment (AOC jurisdiction), net of any exchange or earned revenue from activities. Exchange revenue

includes income from steam and chilled water provided to governmental or private entities, gift shop sales, recycling and others. The net cost of operations is prepared on the proprietary basis of accounting and, unlike budgetary accounting, includes costs of services provided by other entities, accruals and non-cash expenses such as depreciation and amortization.

### **Statement of Changes in Net Position**

Provides, on a comparative basis, the beginning Net Position, the transactions that affected Net Position during the period and the ending Net Position.

### **Statement of Budgetary Resources**

Presents comparative information on the budgetary basis of accounting, including how budgetary resources were made available and their status at the end of the year.



## Message from the Chief Financial Officer



Thomas J. Carroll, CFM  
Chief Financial Officer

I am pleased to present the financial statements on behalf of the Architect of the Capitol (AOC) for Fiscal Year (FY) 2014. Fiscal Year 2014 proudly marks the 10th consecutive year AOC has received an unmodified (clean) audit opinion from the independent auditors of our financial statements. In addition, this marks the second consecutive fiscal year in which AOC's audit resulted in no material weaknesses—a result of AOC's continued efforts to improve its Internal Control Program and AOC's continued commitment to sound financial management. While three significant deficiencies were identified in the audit, management has identified steps to strengthen its processes and controls and address the underlying issues.

We publish this annual *Performance and Accountability Report* (PAR) as part of our continued pledge to uphold the highest standards of transparency and accountability. The PAR is our primary means to communicate with our key stakeholders—Congress and the American public—regarding our stewardship for the public funds we receive. This report conveys our efforts to effectively use our resources to serve Congress, preserve the iconic buildings under our care and inspire memorable visitor experiences. For the third straight year, in May 2014, the Association of Government Accountants recognized AOC's PAR with the *Certificate of Excellence in Accountability Reporting*.

This report provides a comprehensive, integrated overview of AOC's FY 2014 performance and financial results. Given our budgetary constraints, AOC is focused on finding innovative ways to work leaner to reduce operational costs and redirect those resources to other priority needs. During FY 2014, AOC continued to make progress in our efforts to achieve significant efficiencies through cost savings and cost avoidance initiatives. As projected, the greatest efficiencies have already been achieved and additional savings are becoming increasingly challenging. Our key savings accomplishments for FY 2014 were made possible through energy and water reduction measures, expanded implementation and use of new technologies, reductions in outside contractors and a sustained drive to manage overtime. Looking ahead, the most prominent challenges we face in this constrained fiscal environment are the prolonged need to address our aging infrastructure's large deferred maintenance and repairs backlog and the emerging priority of stone preservation of our historic buildings and terraces.

Fiscal Year 2014 is the third year of operations under our Strategic Vision which focuses on building an increasingly forward-thinking, collaborative and innovative organization. Guided by our Strategic Vision, we used disciplined

planning strategies to anticipate and minimize the effects of sequestration and the government shutdown while preserving AOC's core mission. Key examples include making personnel roster adjustments, developing a strategic hiring schedule, managing overtime hours and increasing the usage of temporary and seasonal employees. In recent years, we created efficiencies with the increased reliance on federal shared services such as Treasury's Web-based Invoice Processing Platform and beginning the phased migration of AOC's Human Resources Information System. Utilization of shared service platforms not only streamlines and standardizes procedures and helps ensure that we comply with government laws and regulations, it also allows us to focus on mission-based tasks.

Further, to improve our financial reporting timeliness, completeness and accuracy, AOC implemented Treasury's Government-wide Treasury Account Symbol Adjusted Trial Balance. This update replaced the functionality of multiple, separate Treasury reporting systems as the primary means of submitting agency trial balance data into a single data collection system. AOC also migrated to Treasury's Central Accounting Reporting System to enhance the detail and frequency of the financial data reported to Treasury for payments and collections in the Intra-governmental Payment and Collection system. These improvements increase the usability and currency of government-wide financial information to support the managerial oversight of government resources.

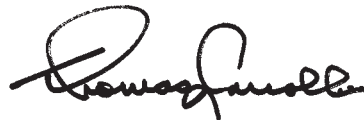
Over the last few years, we have made significant strides towards a strong Internal Control Program. The successful downgrade of our Internal Control material weakness in FY 2013 galvanized our commitment to develop a comprehensive risk-based Internal Control Program across the agency. In FY 2014, we sustained this downgrade and began rewriting our Internal Control policy, creating a procedure implementation manual and developing a training syllabus to frame a management training program. We will continue strengthening and expanding our program to ensure controls are integrated and that standardized procedures for monitoring and testing are in place.

Through our prioritized planning process and focus on reducing agency costs, we worked with Congress to redirect resources to needs that otherwise would not have been funded. As a result, in the short-term, we were able to meet sequestration requirements without a significant impact to our major capital renovation projects. However, continued spending reductions will impact our future operational accomplishments. As we did last year, we delayed lower-prioritized repairs and improvements

throughout Capitol Hill to ensure major projects were unhindered by the budget cuts. Without the long-term funds to fully address our maintenance requirements, we concentrated on the most pressing repairs to ensure that facilities remained operational. However, in doing so, we delayed repairs that will eventually become necessary to address. Continued deferral of maintenance projects will only increase their future cost.

Therefore, as we plan for future years, the importance of permanently working lean and institutionalizing efficiencies becomes increasingly important. We remain fully committed to meeting this challenge and will continue to implement proactive measures and self-imposed spending reductions. By ensuring funds are efficiently and effectively used and transparently accounted for, AOC is able to direct the resources we receive to the highest priority projects and ensure that we meet our core mission to *Serve, Preserve and Inspire*. I express my sincere thanks and appreciation to AOC's financial management professionals, whose consistent efforts to plan, execute and account for the agency's fiscal resources is the foundation of our strong financial stewardship.

Sincerely,



Thomas J. Carroll, CFM  
Chief Financial Officer  
December 3, 2014



## AOC Inspector General Transmittal



Office of Inspector General  
Fairchild Bldg.  
499 S. Capitol St., SW, Suite 518  
Washington, D.C. 20515  
202.593.1948  
[www.aoc.gov](http://www.aoc.gov)

United States Government

### MEMORANDUM

DATE: December 3, 2014

TO: Stephen T. Ayers, FAIA, LEED AP,  
Architect of the Capitol

FROM: Kevin Mulshine, Inspector General

SUBJECT: Audit of Fiscal Year 2014 Financial Statements Reports, A - 2015 - 05

We contracted with the independent certified public accounting firm of Cotton & Company (Cotton) to audit the financial statements of the Architect of the Capitol (AOC) as of and for the years ending September 30, 2014 and 2013. The contract required that the audit be conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

Cotton's opinion on the financial statement is unmodified. I commend the AOC for continuing to maintain this significant accomplishment.

In connection with the audit, we reviewed Cotton's reports and related documentation and met with its representatives. The review was not intended to enable us to express, and we do not express, an opinion on the conclusions expressed therein. Cotton is responsible for the opinion in the attached reports and the conclusions in the related reports on internal control and compliance with laws and regulations. Our review disclosed no instances where Cotton did not comply, in all material respects, with generally accepted government auditing standards.

If you have questions or wish to discuss the report, please contact H. Vance Haney at 202.593.0261 or [vhaney@aoc.gov](mailto:vhaney@aoc.gov).

Copy to:

Christine A. Merdon, Chief Operating Officer  
Thomas J. Carroll, Chief Financial Officer  
David W. Ferguson, Chief Administrative Officer  
Alan Rosenthal, Partner, Cotton & Company  
Shalley Kim, Executive Officer  
John Kelly, Policy Program Officer  
File OIG - A - 2015 - 05

## Independent Auditors' Report



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### INDEPENDENT AUDITORS' REPORT

To the Architect of the Capitol and the Inspector General

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying balance sheets of the Architect of the Capitol (AOC) as of September 30, 2014 and 2013, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial statement audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 14-02, Audit Requirements for Federal Financial Statements. Those standards and OMB Bulletin No. 14-02 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AOC as of September 30, 2014 and 2013, and its net cost, changes in net position, and budgetary resources for the years then ended, in accordance with accounting principles generally accepted in the United States of America.



## Independent Auditors' Report (continued)

### Other Matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America and OMB Circular A-136, Financial Reporting Requirements, require that the management's discussion and analysis in Section I and other required supplementary information consisting of heritage assets in Section III be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board and OMB, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Schedule of Spending for the years ended September 30, 2014 and 2013, and the other accompanying information in Section IV are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards we also have issued our report dated December 3, 2014, on our consideration of AOC's internal control over financial reporting and on our tests of AOC's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope and results of our testing of internal control over financial reporting and AOC's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering AOC's internal control and compliance.

### COTTON & COMPANY LLP



Alan Rosenthal, CPA, CFE  
Partner  
Alexandria, VA  
December 3, 2014

## Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance



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### INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE

To the Architect of the Capitol and the Inspector General

We have audited the financial statements and related notes to the financial statements of the Architect of the Capitol (AOC) as of and for the years ended September 30, 2014 and 2013, and have issued our reports thereon dated December 3, 2014. Those reports contained our unmodified opinion on the financial statements. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*.

#### INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE

In planning and performing our audit of the financial statements, we considered AOC's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of AOC's internal control. Accordingly, we do not express an opinion on the effectiveness of AOC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

#### Significant Deficiencies

We identified three deficiencies in AOC's internal control that we consider to be significant deficiencies, as follows:

1. Ineffective control over accounting for the Fairchild Building lease renewal.
2. Untimely contract closeouts and liquidation of obligations.
3. Improperly recorded costs associated with the O'Neill Building leasehold improvements.

These significant deficiencies are described in more detail in the Appendix.

#### Limitations of Internal Control

Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our evaluation to future periods is



## Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance (continued)

subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with controls may deteriorate.

### COMPLIANCE

As part of obtaining reasonable assurance about whether AOC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We did not test compliance with all laws and regulations applicable to AOC. We limited our tests of compliance to those provisions of laws and regulations OMB audit guidance requires that we test that we deemed applicable to the financial statements for the fiscal year ended September 30, 2014. We caution that noncompliance may have occurred and may not have been detected by these tests, and that such testing may not be sufficient for other purposes. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or OMB audit guidance.

### AOC'S RESPONSES TO FINDINGS

AOC's responses to our findings are in the Appendix. AOC concurred with the findings in our report. AOC's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

### COTTON & COMPANY LLP



Alan Rosenthal, CPA, CFE  
Partner  
Alexandria, VA  
December 3, 2014

## **Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance** (continued)

### **APPENDIX: SIGNIFICANT DEFICIENCIES NOTED DURING THE FY 2014 FINANCIAL STATEMENT AUDIT**



## Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance (continued)

### APPENDIX: SIGNIFICANT DEFICIENCIES NOTED DURING THE FY 2014 FINANCIAL STATEMENT AUDIT

During our audit of the Architect of the Capitol (AOC) fiscal year (FY) 2014 financial statements, we identified three significant deficiencies in internal control over financial reporting, described in this Appendix. We do not consider these deficiencies to be material weaknesses.

Finding 1: Ineffective Control over Accounting for the Fairchild Building Lease Renewal  
Summary Status: Significant Deficiency  
New

During FY 2014, the original term of a 10-year lease for the Fairchild Building expired, and AOC exercised its option to extend the lease for an additional 5-year period. Consistent with the original lease transaction, AOC recorded the lease for the option renewal period as a capital lease based on a calculation of the present value of the future minimum lease payments, treating the option period as an extension of the original lease term. AOC does not have adequate internal controls to ensure that the Fairchild Building lease renewal transaction was properly classified and recorded in conformity with accounting principles generally accepted in the United States of America (GAAP).

However, the lease renewal extension should have been recorded as an operating lease. As a result, the General Property, Plant and Equipment, Net and Other Liabilities amounts shown on the financial statements related to Assets Under Capital Lease and Capital Lease Liability were overstated by \$19.4 million.

Financial Accounting Standards Board (FASB) Accounting Standards Codification paragraph 840-10-35-2b, "Reassessing Whether an Arrangement Contains a Lease," states:

A reassessment of whether the arrangement contains a lease after the inception of the arrangement shall be made only if any of the following conditions exist: A renewal or extension of the arrangement that does not include modification of any of the terms in the original arrangement before the end of the term of the original arrangement shall be evaluated only with respect to the renewal or extension period.

In addition, paragraph 840-10-35-4, "Reassessing Lease Classification," states:

Likewise, except if a guarantee or penalty is rendered inoperative, any action that extends the lease beyond the expiration of the existing lease term, such as the exercise of a lease renewal option other than those already included in the lease term, shall be considered as a new agreement, which shall be classified according to the guidance in Section 840-10-25.

Paragraph 840-10-25-1 states:

A lessee and a lessor shall consider whether a lease meets any of the following four criteria as part of classifying the lease at its inception:

- a. The lease transfers ownership of the property to the lessee by the end of the lease term.
- b. The lease contains a bargain purchase option.
- c. The lease term is equal to 75 percent or more of the estimated economic life of the leased property.
- d. The present value at the beginning of the lease term of the minimum lease payments, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor, including any profit thereon, equals or exceeds 90 percent of the excess of the fair value of the leased property to the lessor at lease inception over any related investment tax credit retained by the lessor and expected to be realized by the lessor.

## Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance (continued)

The Government Accountability Office (GAO)'s *Standards for Internal Control in the Federal Government* (the Green Book) applies to each of the three objectives of internal control: effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations. Internal control should be designed to provide reasonable assurance regarding the reliability of financial reporting.

### Recommendation

We recommend that AOC review lease classifications and develop processes to strengthen internal control to ensure that lease transactions are properly classified and reported in conformity with GAAP.

### Management's Response

Management concurs with the finding and recommendation.

**Finding 2:**                      **Untimely Contract Closeouts and Liquidation of Obligations**  
**Summary Status:**        **Significant Deficiency**  
                                      **New**

AOC does not have adequate internal controls to ensure that undelivered orders (UDOs) are reviewed in a timely manner to identify and de-obligate balances that are no longer valid. We tested sample populations of 56 and 36 UDOs as of June 30 and September 30, 2014, respectively. We noted four instances in which the goods or services had been delivered per the contract/agreement and the period of performance had ended, but the remaining obligated balances, which were no longer valid, had not been de-obligated. As a result, the total reported on the Statement of Budgetary Resources for the *Unobligated Balance, Exempt from Apportionment* line item and the total reported for the *Unpaid Obligations, end of year* line item were overstated and understated, respectively, by \$3.85 million as of September 30, 2014.

GAO's *Principles of Federal Appropriations Law* (the Red Book), Volume II, Chapter 7, Section E defines the term "de-obligation" as an agency's cancellation or downward adjustment of previously incurred obligations. It cites examples of reasons for de-obligations as:

- Liquidation in amount less than amount of original obligation.
- Cancellation of project or contract.
- Initial obligation determined to be invalid.
- Reduction of previously recorded estimate.
- Correction of bookkeeping errors or duplicate obligations.

In addition, the Green Book states that internal control activities occur at all levels and functions of the entity. They include a wide range of diverse control activities that management should establish, such as approvals, reconciliations, authorizations, and verifications, to ensure that all transactions are completely and accurately recorded. They also include the creation and maintenance of related records that provide evidence of execution of these activities, as well as appropriate documentation. The Green Book states that transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. Without effective controls over monitoring open obligations for ongoing validity, AOC is at increased risk of inaccurately reporting its budgetary resources.

According to AOC Order 30-01, *Funds Control Administration*, jurisdictional managers are required to perform a formal review of UDOs with dormant obligations more than 180 days old at least once per year to validate recorded obligations. Obligations that could not be substantiated or validated should be communicated to the Procurement Division.



# Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance (continued)

According to AOC Order 32-10, Quarterly Financial Reviews, the Accounting Office or Budget Office staff will investigate differences identified in the quarterly financial review of UDO balances, follow up with the jurisdictions, and notify the appropriate parties if changes are required.

Recommendation

We recommend that AOC's Procurement Office strengthen its internal controls to ensure that UDO balances for invalid obligations are de-obligated after the goods and services have been delivered and/or the period of performance has ended. In addition, the Accounting Office should work with the Procurement Office to validate information contained in the financial management system and ensure that UDO balances identified as invalid during the quarterly financial reviews are resolved timely.

Management's Response

Management concurs with the finding and recommendation:

The AOC has long recognized the lack of speed in closing out completed obligations. The AOC has increased staffing for the closeout process by hiring contractors to assist with the closeout process. The backlog of unclosed orders is large but the AOC is committed to closing these orders. The AOC has self identified this issue and are well on the way to correcting it.

When contractual assistance was brought on in August 2012, they began the task of deobligating/closing out contracts/task orders from as far back as 2002. In concert with the contractors and AMMD personnel, the expectation is that by the end of FY '15, the AOC will be nearly caught up if not completely caught up with de-obligating old contracts/task orders. Some historical information below from the last two fiscal years:

Fiscal Year 2013: total contracts/task orders de-obligated/closed– 1,468. Total funds de-obligated: \$8,265,542.63.

Fiscal Year 2014: total contracts/task orders de-obligated/closed– 4,473. Total funds de-obligated: \$22,435,191.66.

Finding3:	Improperly Recorded Costs Associated With the O'Neill Building Leasehold Improvements
Summary Status:	Significant Deficiency New

AOC does not have adequate internal controls to ensure that costs incurred related to construction work-in-progress (CWIP) for leasehold improvements are recorded timely and accurately. AOC entered into Reimbursable Work Authorization (RWA) agreements with the General Services Administration (GSA) for leasehold improvements related to an operating lease for the O'Neill Building. GSA billed AOC on a monthly basis in accordance with the terms of the RWA for costs incurred (e.g., accruals, vendor payments), including a 4 percent project management fee. On April 1, 2014, the leasehold improvements were completed, and the accumulated costs were reclassified from a CWIP account into a capital asset account and depreciated; however, the incurred costs related to the five GSA RWAs for the O'Neill Building leasehold improvements were incorrectly reported as a UDO as of September 30, 2014. Based on the misstatement identified by the auditors, AOC recorded an accounts payable accrual to recognize the \$16.9 million in unpaid costs related to the leasehold improvements.

The Green Book states that internal control activities occur at all levels and functions of the entity. They include a wide range of diverse control activities that management should establish, such as approvals, reconciliations, authorizations, and verifications, to ensure that all transactions are completely and accurately recorded. They also

## Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance (continued)

include the creation and maintenance of related records that provide evidence of execution of these activities, as well as appropriate documentation. The Green Book states that transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. Without effective controls over monitoring open obligations for ongoing validity, AOC is at increased risk of inaccurately reporting its financial position, net costs, and budgetary resources.

### Recommendation

We recommend that AOC strengthen internal controls over financial reporting and improve communication with project managers to ensure the accurate and timely recording of accounting events related to leasehold improvements.

### Management's Response

Management concurs with the finding and recommendation:

The internal controls for the Accounts Payable accrual will be strengthened so that the AOC can identify this issue in the future. The AOC will create a secondary process for the undelivered orders that will analyze undelivered orders that have passed their period of performance and are above a threshold set by the Accounting Officer. This review will require accounting personnel to coordinate with contracting officers and their technical representatives to determine the amount of work complete and the fiscal year end.



## Architect of the Capitol's Response to the AOC Inspector General



**Architect of the Capitol**  
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December 3, 2014

Kevin Mulshine  
Inspector General  
Architect of the Capitol  
499 South Capitol Street, SW, Suite 518  
Washington, DC 20515

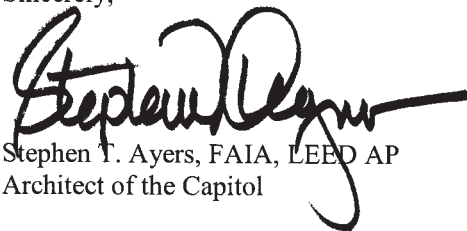
Dear Mr. Mulshine:

Thank you for the opportunity to comment on the Independent Auditor's Report and the Independent Auditor's Report on Internal Control and Compliance for the Architect of the Capitol (AOC) for the Fiscal Years ending September 30, 2014 and 2013. The AOC works diligently to establish strong financial management practices to meet the challenge of addressing our fiscal compliance requirements, managing our financial processes and systems, and meeting our day-to-day financial operations responsibilities. In today's fiscal climate, how we balance these important efforts will have added significance as we look to achieve the most value from our limited financial resources.

As expressed in the Independent Auditor's Report, we are pleased to have received an unmodified or "clean" independent audit opinion on our financial statements for the tenth consecutive year. In addition, for the second consecutive year, we have no material weaknesses resulting from our annual independent audit. These accomplishments are a testament to the professionalism and commitment of AOC's financial management team. Management continues to identify steps to strengthen its processes and controls and address any issues.

As we move forward, we are committed to building on our progress. We recognize that there is more to be done that will require our organization's sustained attention, action and improvement. We look forward to cooperating with you and other stakeholders on the continued improvement to AOC's fiscal accountability as we strive to meet our mission to *Serve, Preserve and Inspire*.

Sincerely,



Stephen T. Ayers, FAIA, LEED AP  
Architect of the Capitol

Doc. No. 141124-04-01



## Financial Statements

### Architect of the Capitol

#### Balance Sheet

As of September 30, 2014 and 2013 (\$ in thousands)

	2014	2013
<b>ASSETS</b>		
Intragovernmental Assets		
Fund Balance with Treasury (Note 2)	\$ 751,158	\$ 627,490
Investments (Note 4)	10,012	10,654
Accounts Receivable (Note 5)	1,185	1,378
<b>Total Intragovernmental</b>	<b>762,355</b>	<b>639,522</b>
Cash and Other Monetary Assets (Note 3)	16	16
Investments (Note 4)	26,697	26,702
Accounts Receivable, Net (Note 5)	525	565
Inventory & Related Property, Net (Note 6)	483	904
General Property, Plant and Equipment, Net (Note 7)	1,821,230	1,834,061
Other Assets (Note 9)	923	1
<b>TOTAL ASSETS</b>	<b>\$ 2,612,229</b>	<b>\$ 2,501,771</b>
Stewardship PP&E (Note 8)		
<b>LIABILITIES</b>		
Intragovernmental Liabilities		
Accounts Payable	\$ 112	\$ 105
Unfunded FECA (Note 11)	9,936	9,929
Other Intragovernmental Liabilities (Note 15)	16,952	46
<b>Total Intragovernmental</b>	<b>27,000</b>	<b>10,080</b>
Accounts Payable	3,126	2,841
Debt Held by the Public (Note 12)	114,213	121,143
Actuarial FECA (Note 11)	57,428	57,455
Contingent and Environmental Liabilities (Note 13)	85,056	86,394
Other Liabilities	65,058	69,135
<b>TOTAL LIABILITIES (Note 10)</b>	<b>\$ 351,881</b>	<b>\$ 347,048</b>
<b>NET POSITION</b>		
Unexpended Appropriations	\$ 652,858	\$ 540,149
Cumulative Results of Operations	1,607,490	1,614,574
<b>TOTAL NET POSITION</b>	<b>\$ 2,260,348</b>	<b>\$ 2,154,723</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 2,612,229</b>	<b>\$ 2,501,771</b>

The accompanying footnotes are an integral part of these financial statements.



## Architect of the Capitol

### Statement of Net Cost

For the Periods Ending September 30, 2014 and 2013 (\$ in thousands)

Program Costs	2014	2013
<b>AOC Capitol Building</b>		
Gross Costs	\$ 51,848	\$ 57,378
Less: Earned Revenue	—	(6)
Net Program Costs	<b>51,848</b>	<b>57,372</b>
<b>AOC Capitol Grounds</b>		
Gross Costs	10,942	11,919
Less: Earned Revenue	—	—
Net Program Costs	<b>10,942</b>	<b>11,919</b>
<b>AOC Capitol Police Buildings, Grounds and Security</b>		
Gross Costs	38,218	44,101
Less: Earned Revenue	(541)	(6,639)
Net Program Costs	<b>37,677</b>	<b>37,462</b>
<b>AOC General Administration</b>		
Gross Costs	89,247	103,525
Less: Earned Revenue	(102)	(118)
Net Program Costs	<b>89,145</b>	<b>103,407</b>
<b>AOC House Office Buildings</b>		
Gross Costs	79,133	70,500
Less: Earned Revenue	(68)	(79)
Net Program Costs	<b>79,065</b>	<b>70,421</b>
<b>AOC Library Buildings and Grounds</b>		
Gross Costs	42,130	44,548
Less: Earned Revenue	—	—
Net Program Costs	<b>42,130</b>	<b>44,548</b>
<b>AOC Senate Office Buildings</b>		
Gross Costs	72,605	76,495
Less: Earned Revenue	(494)	(733)
Net Program Costs	<b>72,111</b>	<b>75,762</b>
<b>AOC Utilities and Capitol Power Plant</b>		
Gross Costs	106,181	106,176
Less: Earned Revenue	(8,956)	(8,653)
Net Program Costs	<b>97,225</b>	<b>97,523</b>
<b>U.S. Botanic Garden</b>		
Gross Costs	13,735	13,284
Less: Earned Revenue	—	(1)
Net Program Costs	<b>13,735</b>	<b>13,283</b>
<b>U.S. Capitol Visitor Center</b>		
Gross Costs	23,336	23,975
Less: Earned Revenue	(4,331)	(4,471)
Net Program Costs	<b>19,005</b>	<b>19,504</b>
<b>U.S. Supreme Court Buildings and Grounds</b>		
Gross Costs	52,097	46,328
Less: Earned Revenue	(33,139)	(32,052)
Net Program Costs	<b>18,958</b>	<b>14,276</b>
<b>Net Cost of Operations (Note 18)</b>	<b>\$ 531,841</b>	<b>\$ 545,477</b>

The accompanying footnotes are an integral part of these financial statements.

## Architect of the Capitol

## Statement of Changes in Net Position

For the Periods Ending September 30, 2014 and 2013 (\$ in thousands)

	2014	2013
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
<b>Beginning Balances</b>	<b>\$ 1,614,574</b>	<b>\$ 1,692,646</b>
<b>Adjustments</b>		
Changes in Accounting Principle (Note 13)	—	(86,394)
<b>Beginning Balances — Adjusted</b>	<b>\$ 1,614,574</b>	<b>\$ 1,606,252</b>
<b>Budgetary Financing Sources</b>		
Appropriations Used	489,931	519,291
Non-Exchange Revenue	5	14
<b>Other Financing Sources (Non-Exchange)</b>		
Transfers In/(Out) Without Reimbursement	912	2,210
Imputed Financing From Costs Absorbed By Others (Note 16)	33,909	32,284
<b>Total Financing Sources</b>	<b>524,757</b>	<b>553,799</b>
<b>Net Cost of Operations</b>	<b>(531,841)</b>	<b>(545,477)</b>
<b>Net Change</b>	<b>(7,084)</b>	<b>8,322</b>
<b>Cumulative Results of Operations</b>	<b>\$ 1,607,490</b>	<b>\$ 1,614,574</b>
<b>UNEXPENDED APPROPRIATIONS</b>		
<b>Beginning Balances</b>	<b>\$ 540,149</b>	<b>\$ 523,248</b>
<b>Budgetary Financing Sources</b>		
Appropriations Received (Note 20)	613,188	571,668
Appropriations Transferred In/(Out)	—	3,037
Other Adjustments	(10,548)	(38,513)
Appropriations Used	(489,931)	(519,291)
<b>Total Budgetary Financing Sources</b>	<b>112,709</b>	<b>16,901</b>
<b>Total Unexpended Appropriations</b>	<b>\$ 652,858</b>	<b>\$ 540,149</b>
<b>NET POSITION</b>	<b>\$ 2,260,348</b>	<b>\$ 2,154,723</b>

The accompanying footnotes are an integral part of these financial statements.

## Architect of the Capitol

## Statement of Budgetary Resources

For the Periods Ending September 30, 2014 and 2013 (\$ in thousands)

	2014	2013
<b>Budgetary Resources</b>		
Unobligated Balance Brought Forward, Oct 1	\$ 427,832	\$ 387,415
Recoveries of Prior Year Unpaid Obligations	31,161	15,961
Other Changes in Unobligated Balances	(10,548)	(5,802)
Unobligated Balance from Prior Year Budget Authority, Net	448,445	397,574
Appropriations (Note 20)	595,958	524,765
Borrowing Authority (Note 12)	10,301	10,868
Spending Authority from Offsetting Collections	61,573	47,948
<b>Total Budgetary Resources</b>	<b>\$ 1,116,277</b>	<b>\$ 981,155</b>
<b>Status of Budgetary Resources</b>		
Obligations Incurred	\$ 600,356	\$ 553,323
Unobligated Balance, End of Year:		
Exempt from Apportionment	490,143	401,936
Unapportioned (Note 2)	25,778	25,896
Total Unobligated Balance, End of Year	515,921	427,832
<b>Total Budgetary Resources</b>	<b>\$ 1,116,277</b>	<b>\$ 981,155</b>
<b>Change in Obligated Balance</b>		
<b>Unpaid Obligations:</b>		
Unpaid Obligations, Brought Forward, Oct 1	\$ 212,045	\$ 250,763
Obligations Incurred	600,356	553,323
Outlays (Gross)	(534,496)	(576,080)
Recoveries of Prior Year Unpaid Obligations	(31,161)	(15,961)
Unpaid Obligations, End of Year	246,744	212,045
<b>Uncollected Payments:</b>		
Uncollected Payments, Fed Sources, Brought Forward, Oct 1	(1,721)	(1,651)
Change in Uncollected Payments, Fed Sources	239	(70)
Uncollected Payments, Fed Sources, End of Year	(1,482)	(1,721)
<b>Memorandum (Non-Add) Entries:</b>		
Obligated Balance, Start of Year	<b>\$ 210,323</b>	<b>\$ 249,112</b>
Obligated balance, End of Year (Note 2)	<b>\$ 245,262</b>	<b>\$ 210,323</b>
<b>Budget Authority and Outlays, Net</b>		
Budgetary Authority, Gross	\$ 667,832	\$ 583,581
Actual Offsetting Collections	(61,812)	(47,878)
Change in Uncollected Payments, Fed Sources	239	(70)
Budget Authority, Net (Total)	<b>\$ 606,259</b>	<b>\$ 535,633</b>
Outlays, Gross	534,496	576,080
Actual Offsetting Collections	(61,812)	(47,878)
Outlays, Net (Total)	472,684	528,202
<b>Agency Outlays, Net</b>	<b>\$ 472,684</b>	<b>\$ 528,202</b>

The accompanying footnotes are an integral part of these financial statements.



## Notes to the Financial Statements

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## Note 1: Summary of Significant Accounting Policies

### A. Reporting Entity

The Architect of the Capitol (AOC) is an agency within the legislative branch of the federal government. Initially authorized by Congress to provide “suitable buildings and accommodations for the Congress of the United States,” its role has expanded to include responsibility for the maintenance, operation, development, and preservation of the AOC Capitol Building (CB); AOC Capitol Grounds (CG); AOC Capitol Police Buildings, Grounds, and Security (CPBGS); AOC House Office Buildings (HOB); AOC Library Buildings and Grounds (LBG); AOC Senate Office Buildings (SOB); AOC Supreme Court Buildings and Grounds (SCBG); AOC Utilities and Capitol Power Plant (CPP); U.S. Botanic Garden (USBG); and U.S. Capitol Visitor Center (CVC).

AOC is also responsible for:

- supporting Congress during official national events (e.g., Presidential Inaugural Ceremonies) held at the Capitol or on the Capitol Grounds
- providing steam and chilled water to the Supreme Court, Thurgood Marshall Federal Judiciary Building (TMFJB), Union Station, and the Folger Shakespeare Library, and steam-only to the Government Printing Office (GPO) and the Postal Square building, and

- providing visitor guide services at the CVC and USBG

Non-entity assets are those held by AOC but unavailable for use in its operations. Activities that give rise to non-entity assets include:

- steam and chilled water collections over the annual Congressional cap
- rent collections from the Monocle Restaurant
- flag-flying fees, and
- provision of palm trees for rent by the USBG

Upon receipt, funds for these activities are not available for AOC use. At year-end, all collections are transferred to Treasury and the only non-entity assets remaining are Accounts Receivable related to these activities.

### B. Basis of Accounting and Presentation

As a legislative branch agency of the federal government, AOC is not required to follow the accounting standards promulgated by the Federal Accounting Standards Advisory Board (FASAB). AOC has not formally adopted the Government Management and Reform Act of 1994, the Federal Managers' Financial Integrity Act, the Federal Financial Management Improvement Act of 1996, or the Government Performance and Results Modernization Act

of 2010, as these apply only to executive branch agencies. Nonetheless, AOC refers to these acts as a general guide for best practices and incorporates them into its financial management practices, as appropriate.

AOC's financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as promulgated by FASAB. The American Institute of Certified Public Accountants (AICPA) recognizes FASAB standards as GAAP for federal reporting entities. These principles differ from budgetary reporting principles. The differences relate primarily to the capitalization and depreciation of property and equipment as well as the recognition of other long-term assets and liabilities. AOC has adopted GAAP for financial reporting in a manner consistent with other federal agencies.

In FY 2013, AOC recorded a liability to recognize the estimated clean-up costs related to friable and nonfriable asbestos. These costs are deemed probable and reasonably estimable, and are recognized to be consistent with Statement of Federal Accounting Standards (SFFAS) No. 5, SFFAS No. 6, and FASAB Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*, which was effective for periods beginning after September 30, 2012. Upon adoption, this FASAB requirement was reported as a change in accounting principle, as required.

### C. Fund Balance with Treasury

AOC maintains most available fund balances with the U.S. Department of Treasury (Treasury). The Fund Balance with Treasury (FBWT) account represents the unexpended balances of appropriation accounts, trust accounts, and revolving funds. Cash receipts and disbursements are processed by Treasury, and AOC's records are reconciled with those accounts on a regular basis. In addition to the FBWT, AOC also has other cash deposits and investments as described in *Notes 3 and 4*, respectively.

### D. Accounts Receivable

Accounts Receivable includes reimbursement for supplying certain AOC and non-AOC entities on Capitol Hill with steam and chilled water to heat and cool their facilities (*see Note 5*). Per annual appropriation, AOC provides steam and chilled water to the Folger Library, Union Station, the Supreme Court and TMFJB, as well as steam-only to the GPO and the Postal Square building. AOC is legislatively provided the authority to collect a pre-determined amount to recover the cost of supplying these services and record these amounts as offsetting collections. Any amount collected over the pre-determined amount is credited to Treasury's Miscellaneous Receipt Fund and is a non-entity asset. In addition, receivables may arise from food service commissions from operations at the CVC restaurant and from employee payroll overpayments as well as rent collections from the Monocle Restaurant. AOC may

record an Allowance for Doubtful Accounts based on management's review of outstanding receivables, if applicable. Accounts Receivable is reduced to net realizable value by the Allowance for Doubtful Accounts.

### E. Investments

All investments are reported at their acquisition cost, net of amortized premiums and discounts, as it is AOC's intent to hold the investments to maturity. Purchases and sales of investments are recorded as of the trade date. Investment income is reported when earned. The market value of the investments is the current market value at the end of the reporting period.

#### Intragovernmental (Investments Held With Treasury)

The CVC Revolving Fund was established under the *Capitol Visitor Center Act of 2008* (2 U.S.C. 31, 2201 et. seq.) to provide for the sale of gift shop items and the deposit of miscellaneous receipts. A portion of related funds are invested in government securities through the Bureau of Public Debt using their Web-based application, FedInvest. By law, interest income is credited to the fund.

#### Entity (Investments Held Outside Treasury)

AOC has funds invested by a trustee outside of Treasury as a result of financing the construction of the TMFJB. Congress did not appropriate funds for the construction of the building but, instead, authorized the use of private financing to cover its cost. In 1989, AOC entered into a Development Management Agreement with Boston Properties for the design, development, and construction of the TMFJB. Shearson Lehman Hutton, Inc., and Kidder, Peabody, & Co., Inc., issued 30-year Serial Zero Coupon Certificates of Participation to finance its construction.

Pursuant to a Trust Agreement, the proceeds were received by a trustee, The United States Trust Company of New York (now The Bank of New York Mellon). These proceeds were deposited into two funds, the Project Fund and the Operating Reserve Fund, to cover the costs of the construction project. In 2007, the Project Fund balance was transferred to the Operating Reserve Fund. The Operating Reserve Fund is held outside the Treasury by the trustee and, at AOC's direction, the funds are invested and disbursed. The Operating Reserve Fund is held in reserve for future needs of the building (e.g., roof replacement or other major renovation). See *Notes 1.F. and 4* for additional detail on investments.

### F. Trust and Revolving Funds

#### Trust Funds

In Fiscal Year 2014, AOC has stewardship responsibility for two trust fund accounts, the National Garden Trust Fund and the Capitol Trust Fund.

The National Garden Trust Fund is subject to the direction of the Joint Committee on the Library (of Congress) and was established to accept gifts or bequests of money, plant material, and other property on behalf of the USBG. While this trust fund account still exists, it has a zero balance and is inactive.

The Capitol Trust Fund was established by the Legislative Branch Appropriations Act, 2014 (part of the Consolidated Appropriations Act, 2014). This fund consists of permit fees collected by the United States Capitol Police (USCP) to cover costs incurred by the AOC as a result of the issuance of permits for commercial activity in Union Square. Funds in this trust are available for maintenance, improvements, and projects with respect to Union Square, subject to the approval of the Committees of the House of Representatives and Senate. As of the current reporting period (FY 2014) there have been no collections in this fund.

#### Revolving Funds

AOC has stewardship responsibility for six revolving funds to account for various programs and operations. Each of these funds is a distinct fiscal and accounting entity that accounts for cash and other financial resources together with all related liabilities and equities. These revolving funds include:

- House (of Representatives) Gymnasium Revolving Fund
- Senate Health and Fitness Facility Revolving Fund
- Senate Restaurant Revolving Fund
- Judiciary Office Building Development and Operations Fund
- CVC Revolving Fund, and
- Recyclable Materials Revolving Fund.

The House (of Representatives) Gymnasium Revolving Fund was established in the Treasury for AOC to deposit dues paid by members and other authorized users of the House of Representatives Wellness Center. AOC may expend fund amounts to pay for the operation of the facility.

The Senate Health and Fitness Facility Revolving Fund was established to deposit membership dues by authorized users of the Senate Health and Fitness Facility and proceeds from AOC's Senate recycling program. AOC, subject to the approval of the Senate Committee on Appropriations, may



expend fund amounts to pay for the preservation and maintenance of the facility.

The Senate Restaurant Revolving Fund was established in 1961 for the operation of the Senate restaurants. In 2008, control of the Senate restaurants was transferred to a private vendor and AOC took over its accounting functions. Following the transfer, the revolving fund is no longer used for the operation of the restaurants, but the account still exists for activities resulting from the conversion and continuing maintenance of the restaurants. Upon approval by the Senate Committee on Rules and Administration, available balances may be increased via transfers in from the U.S. Senate to AOC, as needed.

The Judiciary Office Building Development and Operations Fund is used to pay expenses related to the structural, mechanical, and domestic care, maintenance, operation, and utilities of the TMFJB. The fund includes an investment that is held outside Treasury with The Bank of New York Mellon, via a Trust Agreement established to finance the construction of the TMFJB.

The CVC Revolving Fund is used to administer funds from the sale of gift shop items, the deposit of miscellaneous receipts such as net profits or commissions paid to the CVC for food service operations, and any fees collected from other functions within the CVC facility. This business-type revolving fund is invested in government securities through the Bureau of Public Debt.

The Recyclable Materials Revolving Fund was established to record proceeds from the sale of recyclable materials from across AOC (excluding the Senate, which deposits such funds in the Senate Health and Fitness Facility Revolving Fund). The fund balance is without fiscal year limitation and may be used to carry out recycling programs or other programs that promote energy savings at AOC.

### G. Recognition of Financing Sources

AOC receives funding to support its programs through appropriations authorized by Congress. Funding for operating and capital expenditures is received as annual, multi-year, and no-year appropriations. This includes funding for the House Historic Buildings Revitalization Trust Fund, which is a general fund that is funded by direct appropriations. Amounts in this fund are restricted for the revitalization of the major historical buildings and assets of the House of Representatives with the approval of the House Appropriations Committee.

The appropriations that AOC manages are listed below. Inactive funds are included below for full disclosure.

1. AOC Capitol Building
2. AOC Capitol Grounds
  - Capitol Grounds
  - West Central Front (inactive)
  - Union Square (Capitol Trust Fund)
3. AOC Capitol Police Buildings, Grounds, and Security
4. AOC General Administration
  - General Administration
  - American Disabilities Act (inactive)
  - Congressional Cemetery (inactive)
5. AOC House Office Buildings
  - House Office Buildings
  - House (of Representatives) Gymnasium
  - House Historic Buildings Revitalization Trust Fund
  - House Recyclable Materials
6. AOC Library Buildings and Grounds
7. AOC Senate Office Buildings
  - Senate Office Buildings
  - Senate Health and Fitness Facility
  - Senate Restaurants Revolving Fund
8. AOC Utilities and Capitol Power Plant
9. U.S. Botanic Garden
  - Botanic Garden
  - National Garden (inactive)
10. U.S. Capitol Visitor Center
11. U.S. Supreme Court Buildings and Grounds
  - Supreme Court
  - Thurgood Marshall Federal Judiciary Building

### H. Operating Materials and Supplies

AOC's materials and supplies consist of tangible personal property consumed during normal operations. Per Statement of Federal Financial Accounting Standards (SFFAS) No. 3, *Accounting for Inventory and Related Property*, operating materials and supplies are recorded using the purchases method. This method provides that operating materials and supplies be expensed when purchased. Operating materials and supplies are purchased using funds specifically appropriated to AOC's jurisdictions. Therefore, the related usage of those materials and supplies is intended for those specific jurisdictions making the purchases (*see Note 1.I*).

### I. Inventory

Inventory is recorded at historical cost, using the weighted average valuation method, in accordance with SFFAS No. 3, *Accounting for Inventory and Related Property*, and consists of retail goods purchased for resale at the CVC's gift shops. The recorded values are adjusted based on the results of periodic physical inventory counts. Inventory purchased for resale may be categorized as follows: (1) purchased goods held for current sale, (2) purchased goods held in reserve for future sale, and (3) slow-moving, excess or obsolete inventory. Examples of the retail goods included in inventory that are classified as "held for current sale" are books, t-shirts, jewelry and other souvenirs. AOC may also record an allowance which is based on slow-moving, excess or obsolete and damaged inventory, as a result of known restrictions on the sale or disposition of inventory (*see Note 6*).

### J. General Property, Plant and Equipment, Net

AOC records property (buildings and equipment) at cost. Buildings and equipment are depreciated over their estimated useful lives, which range from three to 40 years, using the straight-line method. Depreciation is based on the half-year and full-month conventions for buildings and equipment, respectively. All property (buildings and equipment) is in AOC's possession and there is nothing held by others (*see Note 7*).

The following table presents AOC capitalization thresholds and related useful lives:

Property Type	Useful Life (Years)	Capitalization Threshold
Real Property	40	\$500,000
Improvements	20	\$500,000
Equipment and Vehicles	3–15	\$25,000
Assets Under Capital Lease	Shorter of Lease Term or Useful Life of Property Type	See Related Property Type

### K. Stewardship PP&E

Stewardship land and heritage assets have physical properties that resemble those of General PP&E, which are traditionally capitalized in the financial statements. Due to the nature of stewardship assets, however, determining a monetary value would be difficult, and matching costs with specific periods may not be possible or meaningful. Heritage assets are PP&E that are unique and are generally expected to be preserved indefinitely. Heritage assets have historical or natural significance; are of cultural, educational, or artistic importance; or have significant architectural characteristics. These assets are reported in terms of physical units rather than cost or other monetary values per SFFAS No. 29 *Accounting for Heritage Assets and Stewardship Land*. There are two types of heritage assets:

collection, which are objects gathered and maintained for exhibition, such as museum and art collections; and non-collection, which are parks, memorials, monuments and buildings. AOC holds both collection and non-collection heritage stewardship assets (*see Note 8*).

### L. Liabilities

Liabilities represent the amounts owed to others for goods or services received, and amounts owed for progress in contract performance. Some liabilities are funded while others are unfunded because no liability may be paid without an enacted appropriation. For example, future appropriations may be enacted to fund activities for accrued unfunded annual leave and workers' compensation. The Balance Sheet presents the following types of liabilities:

- Accounts Payable,
- Debt Held by the Public,
- Unfunded Actual and Actuarial Workers' Compensation,
- Other Liabilities
  - Accrued Annual Leave
  - Advances from Others
  - Capital Lease Liability
  - Contract Holdbacks, and
  - Custodian and Accrued Liabilities

### M. Personnel Compensation and Benefits

#### Federal Employee Benefits

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The FECA program is administered by the U.S. Department of Labor (DOL), which initially pays valid claims and subsequently seeks reimbursement from the federal agencies employing the claimants. The DOL determines the actuarial liability for claims outstanding at the end of each fiscal year. This liability includes the estimated future costs of death benefits, workers' compensation, and medical and miscellaneous costs for approved compensation cases (*see Note 11*).

AOC recognizes its share of the cost of providing future pension benefits to eligible employees over the period the related services are rendered. The amount funded by the Office of Personnel Management is considered imputed financing (*see Note 16*).

AOC recognizes a current-period expense for the future cost of post-retirement health benefits and life insurance for its employees while they are actively employed. This amount is also considered imputed financing (*see Note 16*).

### Annual and Other Leave

Annual leave is recognized as an expense and a liability as it is earned. The liability is reduced as leave is taken. The accrued leave liability is principally long-term in nature. Other types of leave are expensed when taken and no future liability is recognized for these amounts (*see Note 11*).

### N. Contingencies and Environmental Liabilities

AOC accounts for contingencies in accordance with SFFAS No. 5, *Accounting for Liabilities of the Federal Government*. This standard defines a contingency as an existing condition, situation, or set of circumstances involving uncertainty as to the possible gain or loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur. Management recognizes a contingent liability for liabilities equal to or greater than \$100 thousand when a past transaction or event has occurred, a future outflow or other sacrifice of resources is probable, and the related future outflow is measurable. AOC has recorded no loss provisions for contingent liabilities (*See Note 13*).

SFFAS No. 5 also provides criteria for recognizing a contingent liability for material amounts of environmental cleanup costs that are related to general and stewardship PP&E used in Federal operations. In accordance with Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*, AOC recognizes a liability and related expense for friable and non-friable asbestos cleanup costs when it is both probable and reasonably estimable—consistent with SFFAS No. 5, SFFAS No. 6, and Technical Release No. 2 (*see Note 13*).

### O. Statement of Net Cost

The Statement of Net Cost (SNC) is presented by responsibility segment, (which are AOC jurisdictions), in accordance with SFFAS No. 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*. Costs not assigned to any of AOC's ten major jurisdictions are presented as General Administration. AOC has a number of initiatives (e.g., cost accounting and strategic vision) in place to gather program data in order to provide more information to its stakeholders, such as costs per strategic goal. While these initiatives are in various stages of progress, AOC believes the responsibility segment approach currently provides information to its stakeholders in a direct, informative, and succinct manner.

The 11 responsibility segments reported on the SNC are identified below.

- AOC Capitol Building
- AOC Capitol Grounds
- AOC Capitol Police Buildings, Grounds, and Security
- AOC General Administration
- AOC House Office Buildings
- AOC Library Buildings and Grounds
- AOC Senate Office Buildings
- AOC Utilities and Capitol Power Plant
- U.S. Botanic Garden
- U.S. Capitol Visitor Center, and
- U.S. Supreme Court Buildings and Grounds

Revenues reported on the SNC are principally recorded on a direct cost recovery basis.

### P. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities (including contingent liabilities), revenues, financing sources, expenses and obligations incurred during the reporting period. These estimates are based on management's best knowledge of current events, historical experience and other assumptions that are believed to be reasonable under the circumstances. Estimates are subject to a wide range of variables, including assumptions on future economic and financial events. Accordingly, actual results may differ from those estimates.

### Note 2: Fund Balance with Treasury

Funds with Treasury primarily consist of appropriated funds. As of September 30, 2014, AOC also has stewardship responsibility for six revolving funds and administrative responsibility for two trust funds (one of them is currently inactive).

#### A. Fund Balances

The balance of these funds as of September 30, 2014 and 2013 is as follows:

Dollars in thousands

Fund Type	2014	2013
Appropriated Funds	\$ 722,721	\$ 608,699
Trust and Revolving Funds	28,437	18,791
<b>Total</b>	<b>\$ 751,158</b>	<b>\$ 627,490</b>

#### B. Status of Fund Balance with Treasury

FBWT is classified as unobligated available, unobligated unavailable, obligated and not yet disbursed, or Non Budgetary FBWT. Unobligated available balances represent



unexpired appropriations available for incurring new obligations. Unobligated unavailable balances are expired appropriations that are no longer available to incur new obligations. Obligated balances not yet disbursed include undelivered orders or orders received but not yet paid. Non Budgetary FBWT (if applicable) includes unavailable miscellaneous receipts and suspense accounts that do not have budget authority.

The status of FBWT as of September 30, 2014 and 2013 is as follows:

Dollars in thousands

Balance Type	2014	2013
Unobligated Balance		
Available	\$ 480,118	\$ 391,269
Unavailable	25,778	25,896
Obligated Balance not yet Disbursed	245,261	210,323
Non Budgetary FBWT	1	2
<b>Total</b>	<b>\$ 751,158</b>	<b>\$ 627,490</b>

Amounts shown as “Unobligated Available” in the chart above may differ from the line items on the Statement of Budgetary Resources (SBR). This difference may be due to anticipated reimbursements for the first three quarters of the fiscal year, CVC investments and other proprietary only adjustments (including imprest and other funds held outside of Treasury).

### Note 3: Cash and Other Monetary Assets

Cash and Other Monetary Assets include change-making funds maintained outside Treasury for CVC Gift Shop operations and daily gift shop sales deposits-in-transit. There are no restrictions on cash.

The cash balances as of September 30, 2014 and 2013 are as follows:

Dollars in thousands

Cash and Other Monetary Assets	2014	2013
Undeposited Collections	\$ 2	\$ 2
Cash Imprest Funds	14	14
<b>Total</b>	<b>\$ 16</b>	<b>\$ 16</b>

### Note 4: Investments

Investments at September 30, 2014 and 2013 are summarized below.

At September 30, 2014 (Dollars in thousands)

Investments	Shares/Par	Amortized Prem./ (Net of Disc.)	Investments, Net	Market Value
<b>Intragovernmental, Nonmarketable:</b>				
Capitol Visitor Center				
Six Month Certificate 0.05% Annual Yield Maturing 12/11/2014	\$ 6,101	\$ (1)	\$ 6,100	\$ 6,100
One Year Certificate, 0.13% Annual Yield Maturing 12/11/2014	3,913	(1)	3,912	3,913
<b>Total Intragovernmental</b>	<b>\$ 10,014</b>	<b>\$ (2)</b>	<b>\$ 10,012</b>	<b>\$ 10,013</b>

#### With the Public:

The Bank of New York Mellon				
Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024	26,697	—	26,697	26,697
<b>Total With the Public</b>	<b>\$ 26,697</b>	<b>\$ —</b>	<b>\$ 26,697</b>	<b>\$ 26,697</b>
<b>Total Investments</b>	<b>\$ 36,711</b>	<b>\$ (2)</b>	<b>\$ 36,709</b>	<b>\$ 36,710</b>

At September 30, 2013 (Dollars in thousands)

Investments	Shares/Par	Amortized Prem./ (Net of Disc.)	Investments, Net	Market Value
<b>Intragovernmental, Non-marketable:</b>				
Capitol Visitor Center Revolving Fund				
One Day Certificate, 0.030% Daily Yield Maturing 10/01/2013	\$ 2,983	\$ —	\$ 2,983	\$ 2,983
Six Month Certificate 0.07% Annual Yield Maturing 11/14/2013	4,119	(1)	4,118	4,118
One Year Certificate, 0.17% Annual Yield Maturing 11/14/2013	3,553	—	3,553	3,553
<b>Total Intragovernmental</b>	<b>\$ 10,655</b>	<b>\$ (1)</b>	<b>\$ 10,654</b>	<b>\$ 10,654</b>

#### With the Public:

The Bank of New York Mellon				
Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024	26,702	—	26,702	26,702
<b>Total With the Public</b>	<b>\$ 26,702</b>	<b>\$ —</b>	<b>\$ 26,702</b>	<b>\$ 26,702</b>
<b>Total Investments</b>	<b>\$ 37,357</b>	<b>\$ (1)</b>	<b>\$ 37,356</b>	<b>\$ 37,356</b>

### Note 5: Accounts Receivable, Net

The breakdown of the consolidated accounts receivable (both Intragovernmental and With the Public), as of September 30, 2014 and 2013 is as follows:

Dollars in thousands

Accounts Receivable	2014	2013
<b>Intragovernmental:</b>		
Entity	\$ 1,148	\$ 1,344
Non-Entity	37	34
<b>Total Intragovernmental</b>	<b>\$ 1,185</b>	<b>\$ 1,378</b>
<b>With the Public</b>		
Entity	\$ 522	\$ 555
Non-Entity	3	10
<b>Total With the Public</b>	<b>\$ 525</b>	<b>\$ 565</b>
<b>Total</b>	<b>\$ 1,710</b>	<b>\$ 1,943</b>

As of September 30, 2014, AOC is involved in certain cases seeking restitution for expenditures and damages resulting from construction-related contract activities. These cases are currently in various stages of claims and appeals and the restitution amounts and case resolutions are uncertain. As a result, no related receivables have been recorded.

### Note 6: Inventory

Inventory consists of retail goods purchased for resale at the Capitol Visitor Center's gift shops. The inventory amounts presented herein are limited to purchases made with the gift shops' appropriated and/or revolving funds. AOC may record an allowance which is based on slow-moving, excess or obsolete and damaged inventory.

Inventory, as of September 30, 2014 and 2013 is as follows:

Dollars in thousands

Inventory Category	2014	2013
Purchased Goods Held for Current Sale	\$ 476	\$ 902
Damaged/Restricted/Held for Future Sale	7	2
<b>Total</b>	<b>\$ 483</b>	<b>\$ 904</b>

Based upon management reviews of the most recent inventory count, inventory in the amount of \$7 thousand was considered damaged or restricted as of September 30, 2014. This inventory is pending management's decision on its ultimate disposition.

### Note 7: General Property, Plant and Equipment, Net

AOC differentiates its property and equipment by distinct categories. The following represents these categories and their balances as of September 30, 2014 and 2013:

At September 30, 2014 (Dollars in thousands)

Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value	%
Buildings	\$ 1,398,961	\$ 635,607	\$ 763,354	41.9
Building Improvements	1,369,991	746,846	623,145	34.2
Land	168,672	—	168,672	9.3
Land Improvements	157,833	72,684	85,149	4.7
Capital Leases (Real Property)	39,749	33,693	6,056	0.3
Leasehold Improvements	69,147	19,920	49,227	2.7
Equipment and Internal Use Software	18,172	15,402	2,770	0.2
Other Structures	9,288	2,898	6,390	0.4
Construction Work-in-Progress	116,467	—	116,467	6.3
<b>Total</b>	<b>\$ 3,348,280</b>	<b>\$ 1,527,050</b>	<b>\$ 1,821,230</b>	<b>100.0</b>

At September 30, 2013 (Dollars in thousands)

Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value	%
Buildings	\$ 1,398,961	\$ 605,125	\$ 793,836	43.3
Building Improvements	1,340,561	694,118	646,443	35.2
Land	168,672	—	168,672	9.2
Land Improvements	153,674	65,096	88,578	4.8
Capital Leases (Real Property)	39,749	31,901	7,848	0.4
Leasehold Improvements	22,934	16,636	6,298	0.3
Equipment (Computers and Hardware)	18,238	14,910	3,328	0.3
Other Structures	9,288	2,536	6,752	0.4
Construction Work-in-Progress	112,306	—	112,306	6.1
<b>Total</b>	<b>\$ 3,264,383</b>	<b>\$ 1,430,322</b>	<b>\$ 1,834,061</b>	<b>100.0</b>

The educational, artistic, architectural, and historical significance of the U.S. Capitol, Senate, House, Supreme Court, and Jefferson buildings meets the FASAB criteria for heritage assets. Since these buildings are currently used for day-to-day business, they are further classified as multi-use heritage assets. As a result, they are depreciated in the same manner as if they were general purpose assets. Although the original assets are fully depreciated, subsequent improvements and betterments to the buildings are currently being depreciated in accordance with established policy. AOC is responsible for reviewing and authorizing all structural and architectural changes to the buildings and grounds prior to any change occurring.

### Note 8: Stewardship PP&E

Stewardship land and heritage assets are property, plant, and equipment that are unique for one or more of the following reasons: historic or natural significance; cultural, educational, or artistic importance; or significant architectural characteristics. Stewardship assets are expected to be preserved indefinitely. Federal agencies are not required to assign a cost on the Balance Sheet for stewardship assets, except for multi-use heritage assets, which are defined as stewardship assets whose predominant use is in general government operations. The Capitol, House Office Buildings, Senate Office Buildings, Supreme Court, and Thomas Jefferson Building of the Library of Congress are all examples of multi-use heritage assets at AOC.

AOC's stewardship assets are directly related to its mission to serve, preserve and inspire America's Capitol. Authority for the care and maintenance of the Capitol was established by legislation in 1876. The Architect's core duties include the conservation and care of works of art in the buildings under the Architect's jurisdiction and the



The vaulted, ornately decorated corridors on the first floor of the Senate wing in the U.S. Capitol Building are called the Brumidi Corridors in honor of Constantino Brumidi, the Italian artist who designed the murals and the major elements. Restoration of the Brumidi Corridors progressed significantly in FY 2014 with the completion of the large vaulted ceiling in the Reception Area.

upkeep and improvement of the living heritage assets on the Capitol Grounds and in the Botanic Garden. AOC's stewardship responsibility for the heritage assets of Capitol Hill include those that are jointly under the Senate and House of Representatives (such as works of architectural fine art) and those attached to the complex's buildings and on its grounds. The AOC administered stewardship lands encompass more than 553 acres of grounds. This includes the approximately 290 acres of grounds immediately surrounding the U.S. Capitol and designed by Frederick Law Olmsted. In FY 2012, Union Square was transferred to AOC from the National Park Service and is also included in AOC's stewardship land and heritage assets. This 11-acre site on the National Mall contains the Ulysses S. Grant Memorial and the Capitol Reflecting Pool. Heritage asset categories include:

**Artwork:** AOC cares for some of the artwork that is part of the Capitol Hill buildings and grounds. This includes fine art, decorative art, architectural fine art, and architectural decorative art.

**Architectural Features:** USBG and AOC Capitol grounds are graced with many unique architectural features. These include outdoor sculptures and monuments and landscape features and fixtures.

**Reference and Library Materials:** The AOC's collections include art and reference files and art and reference materials.

**Records:** The AOC's collections include architectural and engineering drawings, manuscripts and other textual records, small architectural models, photographs, and conservation reports.

**Living Heritage Assets:** As Acting Director of the USBG and steward of the Capitol grounds, AOC has living heritage assets in its collections. These include memorial trees and a variety of living plants.

A summary inventory of AOC's stewardship assets as of September 30, 2014 and 2013 is as follows:

Description	2014	2013
<b>Artwork</b>	2,019 items	2,010 items
<b>Architectural Features</b>	199 features	197 features
<b>Reference and Library Materials</b>		
Art and Reference Files	108 drawers	108 drawers
Art and Reference Materials	1,183 items	1,172 items
<b>Records</b>	446,896 records	437,707 records
<b>Living Heritage Assets</b>	58,078 items	59,088 items



### Note 9: Other Assets

On September 30, 2014, Other Assets consisted of employee advances as well as a project advance to the U.S. Capitol Police. On September 30, 2013, Other Assets consisted solely of employee advances.

Dollars in thousands

Other Assets	2014	2013
Advances to Others	\$ 923	\$ 1

### Note 10: Liabilities

The Balance Sheet as of September 30, 2014 and 2013 includes, amongst others, some liabilities not covered by current budgetary resources. Such liabilities require Congressional action prior to budgetary resources being provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund them. Liabilities not covered by budgetary resources generally include accrued annual and compensatory leave, workers' compensation, debt held by the public, capital leases as well as contingent and environmental liabilities. Liabilities covered by budgetary resources generally include accounts payable, advances from others, contract holdbacks, and other accrued liabilities.

Liabilities covered/not covered by budgetary resources as of September 30, 2014 and 2013 are as follows:

Dollars in thousands

Fund Type	2014	2013
Intragovernmental:		
Liabilities Covered by Budgetary Resources	\$ 17,026	\$ 105
Liabilities Not Covered by Budgetary Resources	9,974	9,975
<b>Total Intragovernmental</b>	<b>\$ 27,000</b>	<b>\$ 10,080</b>
With the Public:		
Liabilities Covered by Budgetary Resources	\$ 43,861	\$ 45,440
Liabilities Not Covered by Budgetary Resources	281,020	291,528
<b>Total With the Public</b>	<b>\$ 324,881</b>	<b>\$ 336,968</b>
<b>Total</b>	<b>\$ 351,881</b>	<b>\$ 347,048</b>

### Note 11: Payroll-Related Liabilities

On September 30, 2014 and 2013, the liability for Accrued Annual Leave and Other is comprised of three accounts: Funded Accrued Payroll (payroll that has been earned but not paid), Unfunded Accrued Annual Leave (employee leave that has been earned but not taken) and Workers' Compensation.

Accrued Payroll and Annual Leave, by type, as of September 30, 2014 and 2013 are as follows:

Dollars in thousands

Accrued Annual Leave and Other	2014	2013
Funded Accrued Payroll	\$ 5,974	\$ 5,108
Unfunded Accrued Annual Leave	11,108	11,090
<b>Total</b>	<b>\$ 17,082</b>	<b>\$ 16,198</b>

Workers' Compensation is reported as required by the Federal Employees' Compensation Act (FECA). The liability is presented in two parts: an annual accrued liability for billed costs (current portion) and a long-term, actuarial-based unfunded liability (*see Note 1.L*). The actuarial workers' compensation liability was calculated using a formula provided by the DOL.

Workers' Compensation, by type, as of September 30, 2014 and 2013 is as follows:

Dollars in thousands

Workers' Compensation, by Type	2014	2013
Unfunded Workers' Compensation (Current)	\$ 9,936	\$ 9,929
Actuarial Workers' Compensation (Long-Term)	57,428	57,455
<b>Total</b>	<b>\$ 67,364</b>	<b>\$ 67,384</b>

Estimated future costs have been actuarially determined, and they are regarded as a liability to the public because neither the costs nor reimbursement have been recognized by DOL. Workers' Compensation is included in Liabilities not covered by Budgetary Resources, as described in *Note 10*.

### Note 12: Debt Held by the Public

As of September 30, 2014 and 2013, Debt Held by the Public consists of the financing obtained for the construction of the TMFJB. The debt consists of 30-year Serial Zero Coupon Certificates of Participation issued in 1989 for \$125.4 million with a maturity value of \$525.5 million. The certificates are amortized using the effective interest rate of 8.72 percent. The balance of Debt Held by the Public is as follows:

Dollars in thousands

Debt Held by the Public, by Type	2014	2013
Securities	\$ 172,300	\$ 189,530
Interest Payable	810	859
Subtotal	173,110	190,389
Discount on Securities	(400,123)	(400,123)
Less: Amortization of Discount	341,226	330,877
Subtotal	(58,897)	(69,246)
<b>Total</b>	<b>\$ 114,213</b>	<b>\$ 121,143</b>

Various judiciary offices and personnel occupy the TMFJB under an Interagency Agreement between AOC and the Administrative Office of the U.S. Courts. Base rent will not change over the initial 30 years, and is set at the amount necessary to retire the debt at \$17.2 million annually. Payment of the certificates will end in August 2024. This certificate is not subject to prepayment or acceleration under any circumstance, pursuant to the language in the certificate agreement.

The Statement of Budgetary Resources (SBR) reports Borrowing Authority of \$10.3 million and \$10.9 million for 2014 and 2013, respectively. These amounts represent the current year portion of the amortized bond discount which is shown in the table above (net of interest payable).

Note 13: Contingent and Environmental Liabilities

AOC is party to various administrative proceedings, legal actions, and tort claims which may result in settlements or decisions adverse to the federal government. AOC also has responsibility to remediate certain sites with environmental contamination hazards related to ongoing operations.

The accrued and potential Contingent and Environmental Cleanup Cost Liabilities, as of September 30, 2014 and 2013 are as follows:

Dollars in thousands

Contingent and Environmental Liabilities	2014	2013
Contingent Liabilities	\$ —	\$ —
Estimated Cleanup Cost Liabilities	85,056	86,394
Total	\$ 85,056	\$ 86,394

Contingent Liabilities

General contingent liabilities consist of claims filed against AOC which are awaiting adjudication. These liabilities typically relate to contracts, labor and equal employment opportunity issues, and personal and property damage.

For the purpose of estimating contingent liabilities for the financial statements, AOC conducted a review of existing claims for which the likelihood of loss to AOC is probable. Additionally, management and AOC's General Counsel evaluated the materiality of cases determined to have a reasonably possible chance of an adverse outcome. Liabilities were recognized for those cases that were determined to meet management's materiality threshold (see Note 1.N). No amounts have been accrued in the financial records for claims where the estimated amount of potential loss does not exceed \$100 thousand or where the likelihood of an unfavorable outcome is less than probable.

Matters for which the likelihood of an unfavorable outcome is less than probable but more than remote involve a wide variety of allegations and claims. These matters arise in the course of carrying out AOC programs and

operations. The ultimate outcomes in these matters cannot be predicted at this time; however as of September 30, 2014 the lower level estimate of these cases amounted to approximately \$2.4 million. Sufficient information is not currently available to determine if the ultimate resolution of the proceedings, actions, and claims will materially affect AOC's financial position or results of operations. Based on the less than probable nature of these claims, an accounting entry for the estimate was not posted and there is no impact on the financial statements.

Environmental Cleanup Cost Liabilities

Pursuant to the Federal Accounting Standards Advisory Board (FASAB) Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-related Cleanup Costs*, Federal entities are required to recognize a liability for asbestos cleanup costs. AOC is responsible for managing friable and non-friable asbestos-containing materials (ACM) in all Capitol Complex Buildings owned by the federal government. Beginning in 2000, AOC contracted EPA-accredited asbestos inspectors to conduct inspections in accessible areas using nondestructive sampling techniques. For financial reporting purposes, separate per square foot rates were determined for friable and non-friable ACM. The per square foot values were based on recent removal projects conducted by AOC's Construction Division and a review of current industry estimates. The rates were applied to the ACM square footage of each Capitol Complex building as estimated during the asbestos inspections. Upon the effective date in FY 2013, AOC recognized an estimated asbestos liability of \$86.4 million. The liability was recorded as a prior period adjustment due to a change in accounting principle since the real property has been in service for a significant portion of their estimated useful life.

As required by SFFAS No. 6 *Accounting for Property, Plant and Equipment*, AOC will determine the need for asbestos liability adjustments on an annual basis. As actual asbestos remediation costs are incurred, the asbestos liability is reduced by the reported amount. In FY 2014, the remaining amount of the asbestos liability that is included in the "Contingent and Environmental Liabilities" line on the Balance Sheet is \$85.1 million.

In addition to the requirements of Technical Bulletin 2006-1, AOC is subject to various Federal, state, and local environmental compliance and restoration laws, including the Clean Air Act; the Clean Water Act; the Solid Waste Disposal Act; the Safe Drinking Water Act; and the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Estimated environmental and disposal disclosures include expected future cleanup costs, and for those sites where future liability is unknown, the cost of studies necessary to evaluate response requirements.

**Fort George G. Meade, Maryland**

Management's review concluded that AOC is not responsible for the clean-up and remediation of previous environmental contamination on the approximately 100 acres of land at Fort George G. Meade, Maryland, which the U.S. Army transferred to AOC. The Army is responsible for the environmental clean-up of any previous contamination under CERCLA. AOC understands that the Army is actively monitoring existing contamination on the entire site, including the land transferred to AOC, and is pursuing appropriate remediation of this contamination.

**Note 14: Leases**

As of September 30, 2014, AOC was committed to various non-cancelable leases primarily covering administrative office space and storage facilities, motor vehicles, and office equipment. Many of these leases contain escalation clauses tied to inflationary and tax increases, and renewal options. At the end of the current reporting period, AOC had one real property capital lease for the Senate Sergeant of Arms Warehouse facility in Landover, MD.

**Capital Leases**

Capital leases have initial or remaining non-cancelable lease terms in excess of one year and the capital lease liability is amortized over the term of the lease. As of September 30, 2014 and 2013, the present value of the future minimum lease payments required by those leases identified as capital leases is as follows:

At September 30, 2014 (Dollars in thousands)

Fiscal Year	Total
2015	\$ 845
2016	845
2017	845
2018	845
2019	845
Thereafter	5,070
<b>Total Minimum Future Lease Payments</b>	<b>\$ 9,295</b>
Less: Imputed Interest	(2,055)
<b>Total Capital Lease Liability</b>	<b>\$ 7,240</b>

At September 30, 2013 (Dollars in thousands)

Fiscal Year	Total
2014	\$ 3,523*
2015	845
2016	845
2017	845
2018	845
Thereafter	5,915
<b>Total Minimum Future Lease Payments</b>	<b>\$ 12,818</b>
Less: Imputed Interest	(2,479)
<b>Total Capital Lease Liability</b>	<b>\$ 10,339</b>

\* The number for 2014 includes expected lease payments for the year indicated, as well as prior year unpaid amounts of \$395 thousand.

**Operating Leases**

AOC currently has leases and occupancy agreements with the General Services Administration (GSA) and leases with other commercial vendors for office and storage space, plus rentals of equipment and vehicles. These leases expire in various years.

As of September 30, 2014, the aggregate of future payments due under non-cancelable operating leases and occupancy agreements are as follows:

Dollars in thousands

Fiscal Year	Real Property	Personal Property	Total
2015	\$ 29,037	\$ 24	\$ 29,061
2016	26,423	—	26,423
2017	25,494	—	25,494
2018	21,182	—	21,182
2019	12,375	—	12,375
Thereafter	22,033	—	22,033
<b>Total Future Lease Payments</b>			<b>\$136,568</b>

**Note 15: Custodial and Accrued Liabilities**

As of September 30, 2014 and 2013, these liabilities consist of accrued accounts payable (with the public) and miscellaneous receipts that are to be forwarded to Treasury (intragovernmental custodial liabilities). Miscellaneous receipts include, but are not limited to, flag-flying fees, rent from the Monocle restaurant and steam and chilled water collections over the Congressional cap. In FY 2014, AOC recorded an additional accounts payable accrual of \$16.9 million to recognize the estimated value of work performed by and payable to GSA. This work was performed under reimbursable work agreements with GSA for tenant improvements to space occupied in the Thomas P. O'Neill, Jr. Federal Building.

These liabilities, which are classified as current as of September 30, 2014 and 2013, are as follows:

Dollars in thousands

Custodial Liabilities and Accrued Liabilities	2014	2013
Intragovernmental	\$ 16,952	\$ 46
With the Public	25,336	25,957
<b>Total</b>	<b>\$ 42,288</b>	<b>\$ 26,003</b>



### Note 16: Imputed Financing

To measure the full cost of activities, SFFAS No. 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*, requires that total costs of programs include imputed financing. Such costs result when an entity receives unreimbursed services from other U.S. government entities.

Imputed financing consists of future pension benefits for AOC employees that are paid on its behalf by the Office of Personnel Management (OPM), printing services provided by the GPO, design elements paid for by the Army Corps of Engineers to improve building infrastructure campus-wide, capital projects performed by another federal agency, and Treasury judgment fund payments, as applicable.

With some exceptions, employees participate in one of three defined benefit retirement programs based on their employment start date: employee and employer contributions are made to the Civil Service Retirement and Disability Fund (CSRDF), the Civil Service Retirement Offset, or the Federal Employees Retirement System—all administered by OPM. Employees may also participate in the Thrift Savings Plan (TSP), a defined contribution retirement savings and investment plan, as authorized by the Federal Employees Retirement System Act of 1986. The Federal Retirement Thrift Investment Board administers this Plan.

**Civil Service Retirement System (CSRS):** According to PL 99-335, all employees hired prior to January 1, 1987, could elect CSRS or CSRS Offset. The CSRS provides a basic annuity and Medicare coverage. The CSRS fund covers most employees hired prior to January 1, 1984. AOC and the employee contribute to Medicare at the rate prescribed by law. AOC does not match contributions to the TSP for employees who participate in the CSRS.

**Civil Service Retirement System Offset:** CSRS Offset generally covers those employees who have had a break in their CSRS service of more than one and less than five years by the end of 1986. AOC and the employee contribute to Social Security and Medicare at the rates prescribed by law. AOC does not match contributions to TSP for participating employees in the CSRS Offset.

**Federal Employee Retirement System (FERS):**

According to PL 99-335, employees with less than five years of creditable civilian service, as of the effective date in 1986, were automatically converted to FERS. In addition, during certain periods in 1987, 1988 and 1998, employees hired before January 1, 1984, could choose to participate

in FERS. This system consists of Social Security, a basic annuity plan and the TSP.

AOC and the employee contribute to Social Security and Medicare at rates prescribed by law. In addition, AOC is required to contribute to the TSP a minimum of 1 percent per year of the basic pay of employees covered by this system. AOC also matches a voluntary employee contribution up to 3 percent dollar-for-dollar, and another 2 percent is matched 50 cents on the dollar.

Imputed Financing for the periods ending September 30, 2014 and 2013 is as follows:

Dollars in thousands

Imputed Financing, by Type	2014	2013
Pensions		
CSRS	\$ 3,298	\$ 4,045
CSRS Offset	876	1,058
FERS	30,862	28,748
Less: Contributions	(26,494)	(28,032)
Subtotal: Employee Pensions	8,542	5,819
Health	9,724	8,896
Life Insurance	31	31
Subtotal: All Employee Benefits	\$ 18,297	\$ 14,746
Government Printing Office	181	295
Other Agency—Campus Infrastructure	15,428	17,243
Department of Justice—Treasury Judgment Fund	3	—
<b>Total</b>	<b>\$ 33,909</b>	<b>\$ 32,284</b>

### NOTE 17: Net Cost of Operations Related to Payroll

The SNC reports AOC's gross and net cost by responsibility segment. A responsibility segment is the organizational component (i.e., jurisdiction) that carries out a major line of activity and whose managers report directly to top management. The net cost of operations is the gross cost less any earned revenues.

Expenses for salaries and related benefits for the periods ending September 30, 2014 and 2013, as shown in the table below, amounted to approximately 43 percent of the annual gross cost of operations, for each respective year. As shown in the table below, this includes actual payroll and benefit expenses as well as imputed federal employee benefit costs paid by OPM. The amount identified as

payroll expense represents actual expenditures and does not include accruals which are shown as other expenses.

Net Cost of Operations Related to Payroll as of September 30, 2014 and 2013 is as follows:

Dollars in thousands

Expenses for Payroll & Related Benefits	2014	2013
Payroll Expense	\$ 227,417	\$ 239,814
Imputed Costs (payroll only—see Note 16)	18,297	14,746
Other Expenses Not Requiring Budget—Payroll	(36)	19
FERS	4,332	4,542
<b>Total</b>	<b>\$ 250,010</b>	<b>\$ 259,121</b>

Gross Costs (by Jurisdiction)		
AOC Capitol Building	\$ 51,848	\$ 57,378
AOC Capitol Grounds	10,942	11,919
AOC Capitol Police Buildings, Grounds, and Security	38,218	44,101
AOC General Administration	89,247	103,525
AOC House Office Buildings	79,133	70,500
AOC Library Buildings and Grounds	42,130	44,548
AOC Senate Office Buildings	72,605	76,495
AOC Utilities and Capitol Power Plant	106,181	106,176
U.S. Botanic Garden	13,735	13,284
U.S. Capitol Visitor Center	23,336	23,975
U.S. Supreme Court Buildings and Grounds	52,097	46,328
<b>Total</b>	<b>\$ 579,472</b>	<b>\$ 598,229</b>
<b>Payroll related expenses to Gross Costs (%)</b>	<b>43%</b>	<b>43%</b>

### Note 18: Reconciliation of Net Cost of Operations to Budget

FASAB requires a reconciliation of proprietary and budgetary information (the former Statement of Financing) in a way that helps users to relate the two. The objective is to provide an explanation for the differences between budgetary and financial (proprietary) accounting and is accomplished by means of a reconciliation of budgetary obligations and non-budgetary resources available to the reporting entity with its net cost of operations.

Most entity transactions are recorded in both budgetary and proprietary accounts. However, because different accounting bases are used, some transactions may appear in only one set of accounts (e.g., accrual of workers'

compensation liabilities is only recorded in proprietary records). Not all obligations or offsetting collections may result in expenses or exchange revenue (e.g., a building purchase is capitalized in proprietary accounts, but obligated and outlayed in budgetary accounts).

Exchange revenue with the public consists of revenues received for services provided, such as access to the Senate Health and Fitness Facility and House Wellness Center, as well as rent and interest. Exchange revenue with federal entities consists of revenue from services provided, such as steam and chilled water, work performed on reimbursable projects, and reimbursement for the TMFJB.

Resources Used to Finance Activities reflects the budgetary resources obligated and other resources used to finance AOC activities. The obligations of budgetary resources are net of offsetting collections, recoveries and receipts. Other resources are financing sources that increase net position but are not budgetary resources (e.g., donated property or imputed costs).

Resources Used to Finance Items Not Part of the Net Cost of Operations includes resources used to finance the activities of the entity to account for items that were included in net obligations and other resources but were not part of the SNC. This item includes undelivered orders reflected in net obligations but not part of current period SNC. It also includes budgetary resources and obligations recognized in the current period that do not affect the net cost of operations (e.g., an acquisition of assets reflected in net obligations but not in SNC).

Components Requiring or Generating Resources in Future Periods identifies items that are recognized as a component of the SNC for the current period but the budgetary resources (and related obligation) will not be provided (or incurred) until a subsequent period. Costs such as contingent liabilities and workers' compensation are not always funded in the period the costs are incurred and are included in this item.

Components Not Requiring or Generating Resources includes items that are recognized as part of the net cost of operations for the period but will not generate or require the use of resources, such as depreciation and amortization.

The reconciliation for the periods ending September 30, 2014 and 2013 is as follows:

Dollars in thousands

Reconciliation of Net Cost of Operations to Budget	2014	2013
<b>Resources Used to Finance Activities:</b>		
<b>Budgetary Resources Obligated</b>		
Obligations Incurred	\$ 600,356	\$ 553,323
Less: Spending Authority from Offsetting Collections and Recoveries	(92,734)	(63,909)
Obligations Net of Offsetting Collections and Recoveries	507,622	489,414
Net Obligations	507,622	489,414
<b>Other Resources</b>		
Transfers In/(Out) Without Reimbursement	912	2,210
Imputed Financing	33,909	32,284
Net Other Resources used to Finance Activities	34,821	34,494
<b>Total Resources Used to Finance Activities</b>	<b>\$ 542,443</b>	<b>\$ 523,908</b>
<b>Resources Used to Finance Items not Part of Net Cost of Operations (NCOO)</b>		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	19,411	(4,981)
Resources that Fund Expenses Recognized in Prior Periods	4,419	(82,200)
Budgetary Offsetting Collections and Receipts that do not affect NCOO	(9)	10
Resources that Finance the Acquisition of Assets	84,373	79,618
<b>Total Resources Used to Finance Items not Part of NCOO</b>	<b>108,194</b>	<b>(7,553)</b>
<b>Total Resources Used to Finance the Net Cost of Operations</b>	<b>\$ 434,249</b>	<b>\$ 531,461</b>
<b>Components of NCOO that will not Require or Generate Resources in the Current Period</b>		
Components Requiring or Generating Resources in Future Periods	(149)	(194)
Other	(20)	(81,214)
Total Components of NCOO that will Require or Generate Resources in Future Periods	(169)	(81,408)
Components not Requiring or Generating Resources		
Depreciation and Amortization	97,572	93,282
Revaluation of Assets or Liabilities	65	43
Other	124	2,099
Total Components of NCOO that will not Require or Generate Resources	97,761	95,424
<b>Total Components of NCOO that will not Require or Generate Resources in the Current Period</b>	<b>97,592</b>	<b>14,016</b>
<b>Net Cost of Operations</b>	<b>\$ 531,841</b>	<b>\$ 545,477</b>



### NOTE 19: Net Cost by Type

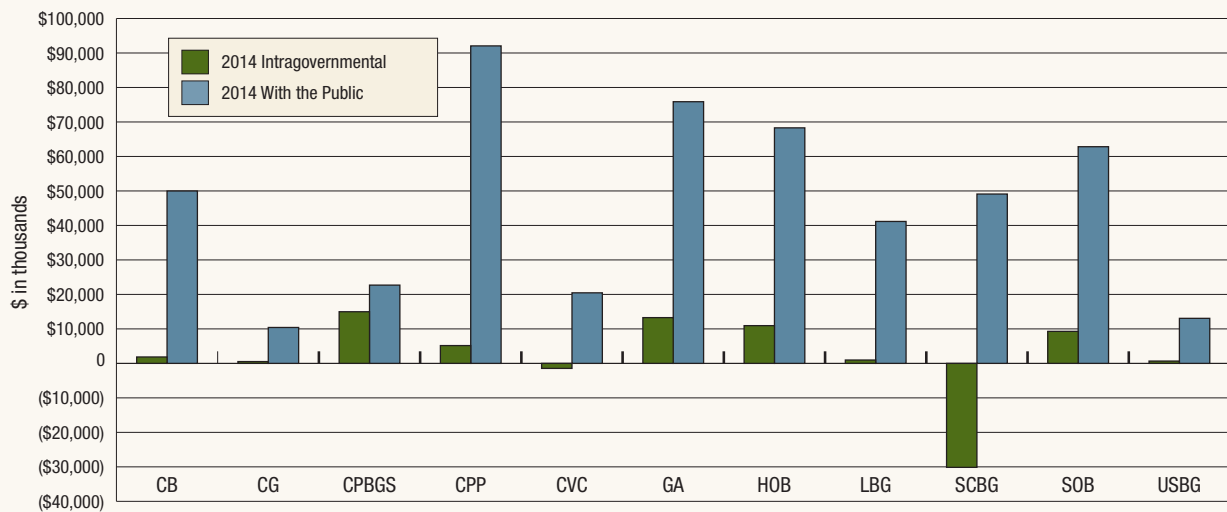
AOC's net cost of operations for the periods ending September 30, 2014 and 2013 as reported in the Statement of Net Cost (SNC) are \$531,841 thousand and \$545,477 thousand, respectively.

The charts below separate these costs by Intra-governmental and With the Public to provide additional details on the nature of these costs.

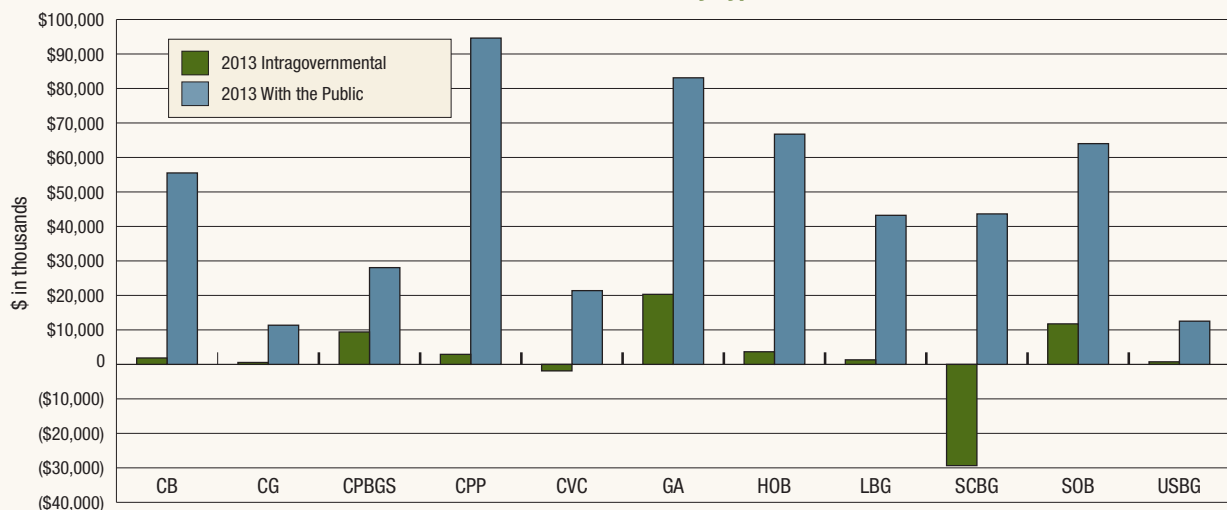
Amounts shown as negative net costs in the charts above imply that earned revenue is greater than the gross costs.

Intragovernmental activities comprise payments to other federal agencies for services provided such as General Service Administration (GSA) for leases, Federal Occupational Health (FOH) for training, and Department of Labor (DOL) for payroll and benefits related expenses. Activities with the public include vendor payments and employees' payroll expenses.

**FY 2014 Net Cost by Type**



**FY 2013 Net Cost by Type**



### NOTE 20: Reconciliation of SCNP Appropriation to SBR

Amounts reported as Appropriations Received on the Statement of Changes in Net Position (SCNP) are \$613,188 thousand and \$571,668 thousand for FY 2014 and FY 2013, respectively. These amounts consist of funds congressionally appropriated to the agency within the current fiscal year. On the Statement of Budgetary Resources (SBR) the Appropriations line consists of appropriations received, current year transfers, reduction of borrowing authority and new budget authority totaling \$595,958 thousand and \$524,765 thousand for FY 2014 and FY 2013 respectively. In 2014, the difference between the two statements is attributed to the \$17,230 thousand semiannual payment to the Bank of New York/Mellon. In 2013, the difference was attributed to the \$17,230 thousand semiannual bond payment to the Bank of New York/Mellon and rescissions of \$29,673 thousand that permanently reduced the budget authority.

### NOTE 21: Undelivered Orders at the End of the Period

In accordance with OMB Circular A-136, *Financial Reporting Requirements*, the amount of budgetary resources obligated but not delivered must be disclosed separately. Amounts obligated comprise contracts with vendors for acquisitions of goods and services including contractual support, constructions projects, and CVC inventory purchases. Undelivered orders for the periods ending September 30, 2014 and 2013 are \$190,600 thousand and \$166,486 thousand, respectively. This is different from the unpaid obligations shown on the SBR which include undelivered orders and delivered orders (unpaid).



AOC facilitated the design and fabrication of the pedestal for a bronze cast of a bust of Winston Churchill by Oscar Nemon. The bust was donated to the House of Representatives by The Churchill Centre and unveiled in a ceremony at the U.S. Capitol in October 2013.



While restoring the large and heavily overpainted Patent Corridor ceiling, AOC conservators found several campaigns of repainting, the most recent in the mid-1970s, but were able to recover the wide variety of original designs to allow their accurate restoration. Work on the ceiling will continue into 2015.

## Required Supplementary Information

### Stewardship of Heritage Assets

AOC is the steward of heritage assets located throughout Capitol Hill. In addition to the buildings and landscape, these assets include architectural fine and decorative art, architectural features, archival material and joint works of art. Many of these assets, both collectible and non-collectible (i.e., architectural), are national treasures.

The AOC Curator Division, including the Records Management and Archives Branch and the Photography Branch, manages the resources provided by Congress for the conservation of art and the preservation of other heritage assets, such as architectural drawings and photographs. AOC follows professional standards established by the American Institute for Conservation and the National Archives and Records Administration. The AOC Curator prepares recommendations to the Joint Committee on the Library regarding acquisition and placement of joint works of art and shares responsibility with the Senate and House Curators for the care of collectible fine and decorative art.

AOC's Curator maintains detailed records for each work of art and manages computerized inventories of heritage assets.<sup>8</sup> AOC contracts with professional fine art conservators for needed repairs or treatments. The Curator

maintains a library of conservation reports prepared in accordance with standards that require preservation work to be fully documented. The Curator provides advice to AOC's jurisdictions on projects and contracts that involve heritage assets or preservation issues. The Records Management and Archives Branch preserves and maintains historic architectural and engineering drawings and textual records. The Branch also creates records policies. The Photography Branch documents facilities and projects, heritage assets and AOC and congressional events, and manages and preserves AOC's photographic records archive. Some vital records, including microfilm and photographic negatives, are stored off-site in stable and secure conditions. Curator Division staff support numerous projects by conducting historical research and providing copies of photographs, drawings, records, specifications and reports.

AOC's Historic Preservation Officer is responsible for preserving the architectural features of the historic buildings maintained by AOC. The Historic Preservation Officer works closely with the Curator in documenting, researching and providing information about buildings, reviewing projects, developing specifications and developing and implementing AOC's Preservation Policy.

<sup>8</sup> The catalogue of the entire congressional art collection was last published in 1978 in *Art in the United States Capitol*.



### General Condition Standards

AOC has defined condition standards based on principles and guidance used by members of the American Institute for Conservation and those of Heritage Preservation. AOC performs periodic condition surveys to ensure heritage assets are documented and preserved for future generations. Assets must be monitored because they are located in working offices and public spaces rather than in a museum setting, so they can be damaged by touching, impact and surface deposits. Outdoor sculptures and fixtures are exposed to weather and pollutants. Once these objects are conserved, regular follow-up inspections and periodic maintenance treatments are essential for their

preservation. The table below summarizes the condition survey rating scales used by AOC for its heritage assets.

### AOC Heritage Assets

In the following tables, footnotes explain changes in condition or inventory count.

#### 1. AOC Capitol Building

The U.S. Capitol is an important example of 19th century neoclassical architecture. While a working building, the U.S. Capitol may also be considered a museum of American art and history with millions of visitors each year.

### AOC HERITAGE ASSETS CONDITION RATING SCALES

Condition Rating Scale	Definition	Priority
<b>Heritage Assets</b>		
Poor	Asset exhibits, or is in danger of, structural damage or loss. Requires major conservation or repair to achieve structural and aesthetic integrity.	High
Fair	Asset is structurally sound but requires major conservation to improve aesthetic integrity.	Medium
Good	Asset is structurally sound and retains aesthetic integrity. Requires routine maintenance or minor conservation.	Low
Excellent	Asset is new, or has been conserved as close to its original condition and appearance as possible, or a conservator has determined that no conservation treatment is needed.	No Treatment Needed
<b>Historic Paper Records</b>		
Poor	Records are not yet stored in archives or their preservation is endangered.	High
Fair	Records are preserved in secure and stable conditions in archives.	Medium
Good	Records are accessioned and placed in acid-free containers.	Low
Excellent	Records are fully processed and stored in archival folders with all major preservation problems attended to.	No Treatment Needed
<b>Photographic Records</b>		
Poor	Film photographs are not in secure storage or digital files are not identified, readable, or backed up.	High
Fair	Records are in secure storage, subject is identified, and image is backed up.	Medium
Good	Negatives are properly housed and inventoried or digital files are batch captioned and backed up in multiple locations.	Low
Excellent	Negatives are stored off-site in archival conditions or digital files are fully captioned with images backed up in multiple locations with routine data migration.	No Treatment Needed

#### 1.1. Fine Art

This collection includes principally unique works of art by known artists that are not permanently attached to or designed for the structure (i.e., collectible). They are separated into (a) works that are under the jurisdiction of the Joint Committee on the Library and cared for by AOC and (b) those that were originally accepted by the Joint Committee on the Library and are joint in subject matter or acquisition (these are counted in AOC's inventory as possibly joint). The possibly joint assets are located

in the Senate and House wings of the U.S. Capitol and, in many cases, are considered part of the Senate or House collections and are cared for by the Senate and House curators.

##### 1.1.1. Interior Sculpture

This collection is comprised primarily of the bronze and marble statues in the National Statuary Hall collection. This collection (comprised of 100 statues—two from each state) was established in 1864 and completed in

2005. In FY 2011, a long-range conservation maintenance contract for sculpture was implemented. By the end of FY 2014, all of the statues were maintained at least once (with most maintained multiple times) to keep them in excellent condition.

Sculpture	As of 10/01/13	As of 9/30/14	Change	General Condition
1.1.1.1 National Statuary Hall Statues	100	100 <sup>1</sup>	—	Excellent
1.1.1.2 Other Statues <sup>2</sup>	9	9	—	Excellent
1.1.1.3 Possibly Joint Statues	3	3	—	Good
1.1.1.4 Busts	16	16	—	Fair to Excellent
1.1.1.5 Possibly Joint Busts	21	21	—	Good
1.1.1.6 Other (Maquettes, etc.)	25	27	2 <sup>3</sup>	Good to Excellent

<sup>1</sup> The state of Iowa replaced its statue of James Harlan with one of Norman Borlaug in FY 2014.

<sup>2</sup> The Magna Carta display, located in the Crypt, is included in this category.

<sup>3</sup> A relief of classical female bronze head from 1857 House Chamber was donated and accepted by the Joint Committee on the Library. The Constantino Brumidi Congressional Gold Medal accepted on July 11, 2012, on display in the Capitol Visitor Center, has been added to this category.

### 1.1.2. Framed Oil Paintings

Framed oil paintings under AOC's stewardship include portraits of former Architects of the Capitol and other paintings. Many of the frames for these paintings are also heritage assets.

Paintings	As of 10/01/13	As of 9/30/14	Change	General Condition
1.1.2.1 Portraits	17	17	—	Good
1.1.2.2 Possibly Joint Portraits	26	26	—	Fair to Excellent
1.1.2.3 Paintings Other Than Portraits	11	12	1 <sup>1</sup>	Good to Excellent
1.1.2.4 Possibly Joint Paintings	23	23	—	Excellent

<sup>1</sup> *The New East Front of the Capitol* by Robert Kirwan on display in an office for many years has been determined to be an original painting and has been added to the inventory.

### 1.1.3. Works of Art on Paper

AOC is the steward of works on paper primarily related to the U.S. Capitol. This collection is used for research and reference purposes and is generally not on display.

Works of Art on Paper	As of 10/01/13	As of 9/30/14	Change	General Condition
1.1.3.1 Watercolors	6	6	—	Good
1.1.3.2 Prints and Drawings	64	64	—	Poor to Excellent
1.1.3.3 Sketches for Murals	Approx. 232	Approx. 232	—	Fair to Excellent

### 1.2. Decorative Art

Decorative art ranges from objects of great craftsmanship and historical importance to mass-produced objects. Often the name of the designer or maker is unknown. Conservation treatment may be appropriate for the highest level of decorative art.

Decorative Art	As of 10/01/13	As of 9/30/14	Change	General Condition
1.2.1 Gilded Mirror Frames*	93	93	—	Poor to Excellent
1.2.2 Historic Furniture	38	38	—	Fair to Good
1.2.3 Antique Clocks	10	10	—	Good to Excellent
1.2.4 Textiles	2	2	—	Good

\* This number primarily includes frames in the House side of the Capitol. The Senate Curator has assumed responsibility for inventory and conservation of Senate mirror frames.

### 1.3. Architectural Fine Art

This fine art is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space.

Architectural Fine Art	As of 10/01/13	As of 9/30/14	Change	General Condition
1.3.1 Pediments (exterior)	3	3	—	Poor to Fair <sup>1</sup>
1.3.2 Statues (interior and exterior)	6	6	—	Good to Excellent
1.3.3 Plaster Model of Sculpture	1	1	—	Excellent
1.3.4 Sculptured Stair Railings	4	4	—	Good to Excellent
1.3.5 Architectural Models on Display	—	—	—	—
1.3.6 Reliefs	39	39	—	Good
1.3.7 Sculptured Bronze Doors (sets) (interior and exterior)	4	4	—	Excellent
1.3.8 Plaques	29	29	—	Fair to Excellent
1.3.9 Stained Glass	16	16	—	Poor to Good <sup>2</sup>
1.3.10 Rotunda Paintings	8	8	—	Good to Excellent
1.3.11 Rooms or Spaces with Fine Art Murals	84	84 <sup>3</sup>	—	Fair to Excellent

<sup>1</sup> Conservation of the marble pediment sculptures is part of the Capitol stone preservation project starting in FY 2015.

<sup>2</sup> The stained glass skylights in the grand stairwells have been removed and are stored for future conservation.

<sup>3</sup> Each room or space may contain multiple sections of murals in vaults and lunettes with individual mural scenes or figures. There are hundreds of images painted on the Capitol's walls. Mural conservation has been ongoing since 1981 and most murals are in at least "good" condition.

### 1.4. Architectural Decorative Art

This decorative art is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space. Decorative art ranges from objects of great craftsmanship and historical importance to mass-produced objects. Often the name of the designer or maker is unknown. Conservation treatment may be appropriate for the highest level of decorative art. Approximate numbers are based on the Capitol Superintendent's CAFM inventory, and will be refined based on the U.S. Capitol Building Preservation Guide, completed in FY 2014. Only about a third of the lighting fixtures are historic and considered heritage assets appropriate for restoration. The more utilitarian fixtures are at times moved or replaced.

Architectural Decorative Art	As of 10/01/13	As of 9/30/14	Change	General Condition
1.4.1. Mantels	Approx. 167	Approx. 167	—	Good
1.4.2. Chandeliers	Approx. 250	Approx. 250	—	Good to Excellent
1.4.3. Pendant Lights	Approx. 270	Approx. 270	—	Good
1.4.4. Sconces	Approx. 100	Approx. 100	—	Good
1.4.5. Rooms or Spaces with Decorative Murals	48	48	—	Fair to Excellent

### 1.5. Architectural Features

Historic architectural features include woodwork, shutters, columns, capitals, brackets, historic floors (e.g., the U.S. Capitol's Minton tile floors) and special architectural surfaces (e.g., marble and scagliola). The Capitol Superintendent (or the Senate Sergeant at Arms) maintains these assets. While an accurate count of these features does not exist, the numbers are large. For example, there are at least 450 interior columns and pilasters with carved capitals. In recent years, special attention has been paid to the restoration of historic scagliola.

### 2. Capitol Grounds

The Capitol Grounds cover approximately 290 acres on which the U.S. Capitol, Senate and House Office Buildings and Capitol Power Plant reside. The Grounds include sculpture and monuments and living assets such as trees and plantings. Heritage assets include such elements as ornamental fountains, drinking fountains, outdoor seating, stone retaining walls and light fixtures.

### 2.1. Outdoor Sculpture

Outdoor Sculpture	As of 10/01/13	As of 9/30/14	Change	General Condition
2.1.1 Monuments/Statues	4	4	—	Poor to Excellent
2.1.2 Fountains with Sculpture	1	1	—	Excellent <sup>1</sup>
2.1.3 Plaques	5	5	—	Excellent <sup>1</sup>

<sup>1</sup> The small fountain in the Olmsted wall and plaques were conserved in FY 2014.

### 2.2. Landscape Features and Fixtures (including fixtures on the exterior of the U.S. Capitol)

Landscape Features and Fixtures	As of 10/01/13	As of 9/30/14	Change	General Condition
2.2.1 Urns	20	20	—	Good
2.2.2 Lighting Fixtures	Approx. 166	Approx. 166	—	Fair to Excellent <sup>1</sup>
2.2.3 Basins (with fountains)	2	2	—	Excellent

<sup>1</sup> Six light fixtures and two bronze basins with fountains, designed by Olmsted, were conserved in FY 2014. The basins have been added to the inventory.

### 2.3. Memorial Trees

Memorial trees are living heritage assets planted to honor distinguished citizens, groups and national events. About half are located on the Capitol's East Front.

Memorial Trees	As of 10/01/13	As of 9/30/14	Change	General Condition
2.3 Memorial Trees	144	136	(8)	Good

### 3. House Office Buildings

There are three major office buildings and one annex building for the House of Representatives: the Cannon, Longworth, Rayburn and Ford House Office Buildings, respectively.

Architectural Fine Art	As of 10/01/13	As of 9/30/14	Change	General Condition
3.1 Pediments (exterior)	1	1	—	Good
3.2 Sculpture (exterior)	8	8	—	Fair
3.3 Plaster Models of Sculpture	27	27	—	Good
3.4 Architectural Models on Display	1	1	—	Fair to Good
3.5 Reliefs	1	1	—	Good
3.6 Murals	1	1	—	Good
3.7 Plaques	1	1	—	Good
3.8 Monuments/Statues	2	2	—	Good



#### 4. Senate Office Buildings

There are three major office buildings for the U.S. Senate: the Russell, Dirksen and Hart Senate Office Buildings.

Architectural Fine Art	As of 10/01/13	As of 9/30/14	Change	General Condition
4.1 Pediments (exterior)	1	1	—	Fair
4.2 Sculpture	1	1	—	Poor <sup>1</sup>
4.3 Plaster Models of Sculpture	6	6	—	Good
4.4 Architectural Models on Display	4	4	—	Excellent
4.5 Maquettes, etc.	1	1	—	Good
4.6 Reliefs (exterior)	51	51	—	Good
4.7 Murals (rooms with)	1	1	—	Excellent

<sup>1</sup> Safety inspection of the *Calder Mountains and Clouds* is planned for FY 2015.

#### 5. Library Buildings and Grounds

The Library of Congress' 1897 Thomas Jefferson Building contains large areas of decorative painting, relief plaster, woodwork, stone work, and mosaic ceilings. The John Adams Building, which is embellished with Art Deco-style decorative metal and relief stone work, is not included in the inventory count.

Architectural Fine Art	As of 10/01/13	As of 9/30/14	Change	General Condition
5.1. Statues	27	27	—	Good to Excellent
5.2. Sculptured Stair Railings	2	2	—	Good
5.3. Reliefs (interior and exterior)	74	74	—	Good
5.4 Sculptured Bronze Doors (sets) (exterior)	11	17	6 <sup>1</sup>	Excellent <sup>2</sup>
5.5. Stained Glass/Mosaics	17	17	—	Fair to Good
5.6. Rooms or Spaces with Fine Art Murals	32	32	—	Fair to Excellent
5.7. Fountains with Sculpture (exterior)	3	3	—	Poor to Good <sup>3</sup>
5.8 Sculptural Clock	1	1	—	Excellent

<sup>1</sup> New security doors with cast glass panels in molds taken from the Lawrie bronze doors were fabricated and installed in the entries to the Adams Building.

<sup>2</sup> Conservation of sculptured bronze doors on the Jefferson and Adams buildings was completed in FY 2014.

<sup>3</sup> Conservation on the Jefferson Building's Pan bronze sculpture and on the JMMB Cronbach fountain sculpture will be carried out in FY 2015.

#### 6. Supreme Court Building and Grounds

The Supreme Court Building is richly adorned with decorative carvings in marble and wood, decorative metal and plaster work and decorative painting.<sup>9</sup>

Architectural Fine Art	As of 10/01/13	As of 9/30/14	Change	General Condition
6.1 Pediments (exterior)	2	2	—	Poor to Excellent*
6.2 Sculpture (exterior)	2	2	—	Good
6.3 Reliefs	4	4	—	Good
6.4 Light Posts with Reliefs (exterior)	2	2	—	Poor to Fair
6.5 Bronze Door (set) (exterior)	1	1	—	Good

\* Conservation of the east pediment sculpture is planned as part of the exterior stone and metal preservation project.

#### 7. U.S. Botanic Garden

The U.S. Botanic Garden (USBG) maintains a collection of living plants and includes all plants used to fulfill the mission of the institution. The collection is categorized as follows:

- Plants of historical or current institutional significance (e.g., individuals or descendants from the Wilkes and Perry expeditions, commemorative gifts from foreign governments and descendants of plants of American historical significance)
- Plants appearing on approved permanent landscape planting plans for the Conservatory, National Garden, Bartholdi Park and the Production facility Plants listed for rotation into permanent exhibits in the Conservatory, National Garden or Bartholdi Park
- Plants used in ongoing education programs
- Plants needed to support future exhibits or programs and whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection
- Orchid species and selected orchid cultivars
- Listed rare and endangered species received under the Convention on International Trade in Endangered Species of Flora and Fauna repository agreement, through interagency transfer, or by other means
- Medicinal plants whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection
- Plants used for accent and horticultural propagation

<sup>9</sup> The collectible fine art within the Supreme Court Building does not fall under AOC's jurisdiction and is cared for by the Curator of the Supreme Court.

stock, including those obtained for trial performance under local conditions

Plants are used for exhibition, study and exchange with other institutions. Noteworthy collections include economically significant plants, medicinal plants, orchids, cacti and succulents, bromeliads and cycads.

The USBG makes its gardens and living collections important resources for the study of threatened plants and their conservation. USBG staff maintains extensive computerized records of the plant collections, which track the location, condition and provenance of each addition. This information is available to the public on USBG’s website, [www.usbg.gov](http://www.usbg.gov). Collections are continually reviewed for accuracy in identification.

Architectural Feature

Outdoor Sculpture	As of 10/01/13	As of 9/30/14	Change	General Condition
7.1 Fountains with Sculpture	1	1	—	Excellent

Living Heritage Assets

The table identifies USBG’s inventory of living heritage assets. Plant inventories for FY 2014 and the prior five years are provided to facilitate comparison. At the end of FY 2014, the USBG held nearly 58,000 individual plants at the Conservatory and the Blue Plains Production Facility in Maryland. The USBG maintains nearly 7,500 unique taxa in its collections.



The U.S. Botanic Garden maintains a collection of nearly 58,000 plants for exhibition, study and exchange with other institutions.

All Plants (Including Orchid Collection)							
FY	Names <sup>1</sup>	Accessions <sup>2</sup>	Plants <sup>3</sup>	Deaccessions—YTD <sup>4</sup>	Taxa (Alive) <sup>5</sup>	Plants (Alive) <sup>6</sup>	Number of Individuals <sup>7</sup>
2009	28,351	26,439	38,319	1,242	7,670	16,333	66,872
2010	29,210	27,471	40,008	1,984	7,547	15,942	62,079
2011	30,189	28,403	41,668	529	7,738	16,442	63,542
2012	30,703	29,496	43,487	1,128	7,890	16,919	66,328
2013	31,326	30,294	44,944	2,051	7,459	16,051	58,944
2014	31,780	30,679	45,449	276	7,470	15,462	57,942

<sup>1</sup> The number of taxonomic entries is not based on or associated with current holdings (cumulative).

<sup>2</sup> Current number of accession, presumed to be genets (cumulative).

<sup>3</sup> Total number of individuals in Plants table—living and dead (cumulative).

<sup>4</sup> Deaccessions for the respective year.

<sup>5</sup> Number of unique taxa currently alive in holdings.

<sup>6</sup> Number of individuals in Plants table currently living.

<sup>7</sup> Number of individuals living including multiple ramets associated with a single accession number (note: this number has a high degree of inaccuracy).

### Orchid Collection

There were over 5,000 total orchids in the Botanic Garden's collections. The orchid collection is the single largest component of the USBG's plant inventory, accounting for over 30 percent of its total collection.

Orchid Collection							
FY	Names	Accessions	Plants	Deaccessions	Taxa (Alive)	Plants (Alive)	Number of Individuals
2009	4,035	7,564	10,479	590	1,567	4,334	N/A
2010	4,295	8,095	11,440	517	1,727	4,816	N/A
2011	4,819	8,483	12,389	212	1,771	5,147	N/A
2012	4,928	8,704	12,839	344	1,803	5,171	N/A
2013	5,071	9,085	13,531	452	1,847	5,397	N/A
2014	5,245	9,191	13,714	342	1,839	5,139	N/A

### 8. Architectural and Engineering Artifacts

AOC maintains an inventory of small architectural and engineering artifacts and models for research or exhibition. AOC also maintains an inventory of large artifacts, such as pieces of stone removed from buildings or plaster models, for possible reuse or repairs. As an example, 150 tons of sculpture and stone removed from the East Front of the U.S. Capitol during its 1958 extension is held in a secure facility at Fort Meade, MD.

The AOC Curator tracks these artifacts and maintains lists of the objects in storage. It is not possible to provide a meaningful count as some crates hold multiple pieces and some items are stored in pieces in multiple crates.

### 9. Historical Records and Reference Materials

The Records Management and Archives Branch preserves and provides access to architectural and engineering drawings and textual records. The Branch uses approved records schedules based on archival appraisal and records surveys. The Branch arranges drawings and textual records

in accordance with archival principles to facilitate control, access, reference, research and retrieval. Architectural and engineering drawings and manuscripts require special archival storage and handling because of their diverse physical attributes. The Branch maintains stable temperature and humidity conditions and high security for the records. Microfilm of many drawings is stored off-site for backup purposes. Digital scans of drawings are also important backups for the original drawings.

#### 9.1. Architectural and Engineering Drawings

Beginning with plans for the construction of the Capitol in the early 1800s, and with primary holdings from the 1850s on, the architectural and engineering drawings collection contains a wide range of subjects and formats (e.g., pencil renderings, finely detailed ink and watercolor working drawings, polished presentation pieces, blueprints and modern computer-aided design drawings). These drawings are vital for current construction and maintenance projects, as well as for historic research. The specifications and files



on previous projects aid in the planning and development of new projects.

AOC archives contain over 186,000 architectural and engineering drawings with more constantly added. Approximately 60 percent of these drawings have been arranged, indexed and assigned control numbers. Most of those remaining are stored in drawing cabinets (arranged by building) waiting to be indexed and verified as not being duplicates. The Records Management and Archives Branch scans, labels, indexes and backs up (using a Web-based database) the drawings to facilitate retrieval. The Archival staff performs basic preservation and conservation of drawings, with specialized work on fragile and historic drawings performed by contracted experts.

### 9.2. Construction and Administrative Textual Records

The Records Center and Archives maintains administrative and project records that document AOC's history as well as the construction history of Capitol Hill buildings. These holdings date from the Capitol extension project in the 1850s and continue through the present. Of special value are the manuscript collection and the Architects' letter books dating to the 1850s.

### 9.3. Photographs

The Photography Branch produces photographs relating to architectural design, construction, renovation and restoration of the historic buildings and grounds under AOC's care. The Branch covers major ceremonial events, documents works of art and conservation projects and produces graphic slides, displays and video for AOC and congressional use. The Branch maintains an archive of over 250,000 photographic images dating to the 1850s. The collection includes approximately 4,000 glass plates, in addition to hundreds of thousands of images in negative, print, and digital format. The number of images is growing rapidly since the conversion to digital format. Each unique image is given a control number (one image may exist in multiple formats). The majority of the glass and film negatives are stored off-site for long-term preservation. Digital files are systematically backed-up and copied.

### 9.4. Small Architectural Models

AOC preserves a small number of display models as part of the architectural record for study and possibly future exhibit purposes.

### 9.5, 9.6 and 9.7. Reference Files, Library Materials and Conservation Reports

One of the largest curatorial functions AOC performs is maintaining the inventory of, and files for, art and historical objects. The Curator maintains a file on each work of art, artist and room in the U.S. Capitol as well as files on the buildings and architectural subjects. The Curator also keeps records on major ceremonies, such as joint sessions of Congress and inaugurations. AOC uses these files to answer questions from AOC staff and contractors, members of Congress and their staffs and the public and to provide information for written fact sheets and publications. The U.S. Capitol Historical Society Fellowship, managed by the Curator, continually adds to the knowledge of the art and architecture of the U.S. Capitol.

Records and Reference	As of 10/01/13	As of 9/30/14	Change	General Condition
9.1 Architectural and Engineering Drawings	Approx. 186,322	Approx. 186,504	182	Good to Excellent
9.2 Manuscripts and Other Textual Records	Approx. 7,566	Approx. 8,127	561	Fair to Good
9.3 Photographs	243,522	251,945	8,423	Good to Excellent
9.4 Small Architectural Models	18	18	-	Fair
9.5 Art and Reference Files	108 Drawers	108 Drawers	-	Good
9.6 Art and Reference Library (published volumes)	1,172 Vols.	1,183 Vols.	11	Good
9.7 Conservation Reports (in notebooks)	279	302	23	Good

## Deferred Maintenance for the Fiscal Year Ended September 30, 2014

AOC oversees over 17.4 million square feet of facilities and more than 587 acres of grounds on Capitol Hill and off-site areas. AOC is responsible for ensuring that the historic facilities entrusted to its care remain in a safe and suitable condition for the current and future needs of Congress, the Supreme Court and the American public. FASAB Statement of Federal Financial Accounting Standard (SFFAS) No. 6, *Accounting for Property, Plant and Equipment* (as amended) defines deferred maintenance as maintenance that was not performed when it should have been or was scheduled to be and which, therefore, is put off or delayed for a future period.

SFFAS No. 6 requires that the estimated cost to remedy accumulated deferred maintenance on AOC's property, plant and equipment (PP&E) be disclosed annually. AOC defines its acceptable level of condition of PP&E to be good to excellent based on the Facility Condition Index. PP&E of less than good condition are determined to require significantly more maintenance than facilities in better condition. The three major classes of capitalized assets for which deferred maintenance was tracked are: buildings and other structures, stewardship land and heritage assets and does not include capital equipment. To evaluate the condition of buildings, other structures and grounds, AOC uses the Facility Condition Assessment (FCA) to identify deferred maintenance, capital renewal, capital improvements and capital construction projects. The cost models in the FCA are considered early planning estimates used to identify liabilities but are not derived by fully completed construction drawings. The focus of this disclosure is solely deferred maintenance, as identified through the FCA and does not include capital renewal, capital improvements and capital construction projects;



AOC has initiated Phase 1 of the multi-year Olmsted Terrace Stone & Metals Preservation project to repair, clean and preserve the masonry at the U.S. Capitol.

however, AOC continues to monitor capital renewal projects that, if not funded, could become deferred maintenance in the near future. Deferred maintenance calculations are based on AOC facility values, which are updated yearly. AOC has completed an initial FCA on all buildings and grounds under its purview with some exceptions. Exceptions have not been included in the figures. AOC continues to complete and update the FCA for all Capitol facilities. As a result, the FCA for some of these facilities are underway or in the planning stage and will be reported in subsequent reports.

AOC's estimate of the amount of accumulated deferred maintenance work required to bring facilities to a good condition, based on the Facility Condition Index, is approximately \$273 million for the fiscal year ending September 30, 2014.<sup>10</sup> **Table 49** depicts deferred maintenance costs, by category, at the beginning and end of the fiscal year.

**TABLE 49: Deferred Maintenance**  
(\$ in thousands required to achieve good condition)

Category	As of 10/01/13	As of 9/30/14*	Change
Buildings and Other Structures	\$307,340	\$273,187	(\$34,153)
Grounds	10,190	\$7,230	(\$2,960)
Heritage Assets	565	\$627	\$62
<b>Total</b>	<b>\$318,095</b>	<b>\$281,044</b>	<b>(\$37,051)</b>

\* The deferred maintenance figure for September 30, 2014, excludes the Library of Congress' Special Service Facilities Center, the Supreme Court Building, the Thurgood Marshall Federal Judiciary Building, pedestrian tunnels, the U.S. Capitol Police Courier Acceptance Facility, E Street S.E. Garage and most major equipment related to the Capitol Power Plant. The majority of the change in deferred maintenance is related to recent assessment work for the Capitol Police Buildings and Grounds and funding of stone work at the Capitol Building and Senate Office Buildings. Reassessment work, contracted in 2014, included an AOC reevaluation of the Capitol Police Buildings and Grounds facilities, the Senate Furniture Warehouse and the Senate Mail Facility. Deferred maintenance calculations are based on FY 2013 AOC replacement values, completed in April 2014.

For further information on deferred maintenance costs, plus data on the capital renewal costs, please see the *Management Challenges and Looking Ahead* section of this report.

<sup>10</sup> AOC aims to maintain its assets in at least good condition. Condition is defined by the Facility Condition Index, which is calculated as the cost of deferred maintenance divided by the current replacement value. A ratio of less than 0.02 is considered excellent. A ratio of 0.02 to 0.05 is judged good. A ratio of 0.05 to 0.10 is deemed fair. A ratio of more than 0.10 is considered poor. AOC's goal is to attain a ratio of less than 0.05 (or good condition) for its assets. Although an asset may be rated as being in acceptable condition, individual systems within that asset may require deferred maintenance to return the system to an acceptable operating condition.

## Summary of Heritage Assets

This consolidating schedule reports the heritage assets by jurisdiction and AOC-wide. Reference and Library Materials and Records, which relate to the entire agency, are shown under the GA responsibility segment.

**TABLE 49: AOC Heritage Assets Consolidating Schedules as of September 30, 2014 and September 30, 2013**

Category	FY 2014									FY 2013								
	AOC Jurisdiction								TOTAL	AOC Jurisdiction								TOTAL
	CB	CG	GA	HOB	LBG	SC	SOB	USBG		CB	CG	GA	HOB	LBG	SC	SOB	USBG	
<b>Artwork</b>																		
<b>Fine Art</b>																		
<b>Interior Sculpture</b>																		
National Statuary Hall Statues	100	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Other Statues	9	—	—	—	—	—	—	—	9	9	—	—	—	—	—	—	—	9
Possibly Joint Statues	3	—	—	—	—	—	—	—	3	3	—	—	—	—	—	—	—	3
Busts	16	—	—	—	—	—	—	—	16	16	—	—	—	—	—	—	—	16
Possibly Joint Busts	21	—	—	—	—	—	—	—	21	21	—	—	—	—	—	—	—	21
Other (Maquettes, etc.)	27	—	—	—	—	—	—	—	27	25	—	—	—	—	—	—	—	25
Sub-Total: Interior Sculpture	176	—	—	—	—	—	—	—	176	174	—	—	—	—	—	—	—	174
<b>Framed Oil Paintings</b>																		
Portraits	17	—	—	—	—	—	—	—	17	17	—	—	—	—	—	—	—	17
Possibly Joint Portraits	26	—	—	—	—	—	—	—	26	26	—	—	—	—	—	—	—	26
Paintings Other Than Portraits	12	—	—	—	—	—	—	—	12	11	—	—	—	—	—	—	—	11
Possibly Joint Paintings	23	—	—	—	—	—	—	—	23	23	—	—	—	—	—	—	—	23
Sub-Total: Framed Oil Paintings	78	—	—	—	—	—	—	—	78	77	—	—	—	—	—	—	—	77
<b>Works of Art on Paper</b>																		
Watercolors	6	—	—	—	—	—	—	—	6	6	—	—	—	—	—	—	—	6
Prints and Drawings	64	—	—	—	—	—	—	—	64	64	—	—	—	—	—	—	—	64
Sketches for Murals	232	—	—	—	—	—	—	—	232	232	—	—	—	—	—	—	—	232
Sub-Total: Works of Art on Paper	302	—	—	—	—	—	—	—	302	302	—	—	—	—	—	—	—	302
Sub-Total: Fine Art	556	—	—	—	—	—	—	—	556	553	—	—	—	—	—	—	—	553
<b>Decorative Art</b>																		
Gilded Mirror Frames	93	—	—	—	—	—	—	—	93	93	—	—	—	—	—	—	—	93
Historic Furniture	38	—	—	—	—	—	—	—	38	38	—	—	—	—	—	—	—	38
Antique Clocks	10	—	—	—	—	—	—	—	10	10	—	—	—	—	—	—	—	10
Textiles	2	—	—	—	—	—	—	—	2	2	—	—	—	—	—	—	—	2
Sub-Total: Decorative Art	143	—	—	—	—	—	—	—	143	143	—	—	—	—	—	—	—	143
<b>Architectural Fine Art</b>																		
Pediments (exterior)	3	—	—	1	—	2	1	—	7	3	—	—	1	—	2	1	—	7
Statues/Sculpture	6	—	—	8	27	2	1	—	44	6	—	—	8	27	2	1	—	44
Plaster Models of Sculpture	1	—	—	27	—	—	6	—	34	1	—	—	27	—	—	6	—	34
Sculptured Stair Railings	4	—	—	—	2	—	—	—	6	4	—	—	—	2	—	—	—	6
Architectural Models on Display	—	—	—	1	—	—	4	—	5	—	—	—	1	—	—	4	—	5
Reliefs	39	—	—	1	74	4	51	—	169	39	—	—	1	74	4	51	—	169
Light Posts with Reliefs (exterior)	—	—	—	—	—	2	—	—	2	—	—	—	—	—	2	—	—	2
Bronze Doors (Sets)	4	—	—	—	17	1	—	—	22	4	—	—	—	11	1	—	—	16
Plaques	29	—	—	1	—	—	—	—	30	29	—	—	1	—	—	—	—	30
Monuments/Statues	—	—	—	2	—	—	—	—	2	—	—	—	2	—	—	—	—	2
Stained Glass/Mosaics	16	—	—	—	17	—	—	—	33	16	—	—	—	17	—	—	—	33
Rotunda Paintings	8	—	—	—	—	—	—	—	8	8	—	—	—	—	—	—	—	8
Rooms or Spaces with Fine Art Murals	84	—	—	1	32	—	1	—	118	84	—	—	1	32	—	1	—	118
Fountains with Sculpture	—	—	—	—	3	—	—	—	3	—	—	—	—	3	—	—	—	3
Maquettes	—	—	—	—	—	—	1	—	1	—	—	—	—	—	—	1	—	1
Sculptural Clock	—	—	—	—	1	—	—	—	1	—	—	—	—	1	—	—	—	1
Sub-Total: Architectural Fine Art	194	—	—	42	173	11	65	—	485	194	—	—	42	167	11	65	—	479



Category	FY 2014									FY 2013								
	AOC Jurisdiction								TOTAL	AOC Jurisdiction								TOTAL
	CB	CG	GA	HOB	LBG	SC	SOB	USBG		CB	CG	GA	HOB	LBG	SC	SOB	USBG	
<b>Architectural Decorative Art</b>																		
Mantels	167	—	—	—	—	—	—	—	167	167	—	—	—	—	—	—	—	167
Chandeliers	250	—	—	—	—	—	—	—	250	250	—	—	—	—	—	—	—	250
Pendant Lights	270	—	—	—	—	—	—	—	270	270	—	—	—	—	—	—	—	270
Sconces	100	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Rooms/Spaces with Decorative Murals	48	—	—	—	—	—	—	—	48	48	—	—	—	—	—	—	—	48
Sub-Total: Architectural Decorative Art	835	—	—	—	—	—	—	—	835	835	—	—	—	—	—	—	—	835
<b>TOTAL</b>	<b>1,728</b>	<b>—</b>	<b>—</b>	<b>42</b>	<b>173</b>	<b>11</b>	<b>65</b>	<b>—</b>	<b>2,019</b>	<b>1,725</b>	<b>—</b>	<b>—</b>	<b>42</b>	<b>167</b>	<b>11</b>	<b>65</b>	<b>—</b>	<b>2,010</b>
<b>Architectural Features</b>																		
Outdoor Sculptures																		
Monuments/Statues	—	4	—	—	—	—	—	—	4	—	4	—	—	—	—	—	—	4
Fountains with Sculpture	—	1	—	—	—	—	—	1	2	—	1	—	—	—	—	—	1	2
Plaques	—	5	—	—	—	—	—	—	5	—	5	—	—	—	—	—	—	5
Sub-Total: Outdoor Sculptures	—	10	—	—	—	—	—	1	11	—	10	—	—	—	—	—	1	11
Landscape Features and Fixtures																		
Lighting Fixtures	—	166	—	—	—	—	—	—	166	—	166	—	—	—	—	—	—	166
Basins	—	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Urns	—	20	—	—	—	—	—	—	20	—	20	—	—	—	—	—	—	20
Reliefs	—	—	—	—	—	—	—	—	0	—	—	—	—	—	—	—	—	—
Sub-Total: Landscape Features and Fixtures	—	188	—	—	—	—	—	—	188	—	186	—	—	—	—	—	—	186
<b>TOTAL</b>	<b>—</b>	<b>198</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>199</b>	<b>—</b>	<b>196</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>197</b>
<b>Reference and Library Materials</b>																		
Art and Reference Files	—	—	108	—	—	—	—	—	108	—	—	108	—	—	—	—	—	108
Art and Reference Library	—	—	1,183	—	—	—	—	—	1,183	—	—	1,172	—	—	—	—	—	1,172
<b>TOTAL</b>	<b>—</b>	<b>—</b>	<b>1,291</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,291</b>	<b>—</b>	<b>—</b>	<b>1,280</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,280</b>
<b>Records</b>																		
Architectural and Engineering Drawings	—	—	186,504	—	—	—	—	—	186,504	—	—	186,322	—	—	—	—	—	186,322
Manuscripts and Other Textual Records	—	—	8,127	—	—	—	—	—	8,127	—	—	7,566	—	—	—	—	—	7,566
Small Architectural Models	—	—	18	—	—	—	—	—	18	—	—	18	—	—	—	—	—	18
Conservation Reports	—	—	302	—	—	—	—	—	302	—	—	279	—	—	—	—	—	279
Photographs	—	—	251,945	—	—	—	—	—	251,945	—	—	243,522	—	—	—	—	—	243,522
<b>TOTAL</b>	<b>—</b>	<b>—</b>	<b>446,896</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>446,896</b>	<b>—</b>	<b>—</b>	<b>437,707</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>437,707</b>
<b>Living Heritage Assets</b>																		
Individual	—	136	—	—	—	—	—	57,942	58,078	—	144	—	—	—	—	—	58,944	59,088
<b>TOTAL</b>	<b>—</b>	<b>136</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>57,942</b>	<b>58,078</b>	<b>—</b>	<b>144</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>58,944</b>	<b>59,088</b>



## Section IV:

# Other Information



## Overview

This *Other Information* section presents a range of financial, operational, stewardship and performance material to supplement the agency information that appears in the previous three main sections. A brief overview of each sub-section is provided below.

**Schedule of Spending.** This schedule provides, for the current and prior fiscal year, an accessible and easily understandable summary of the resources that were available to spend, how much money was spent, and who the money went to.

**The AOC Inspector General's Statement on AOC's Management Opportunities and Performance Challenges.** This statement summarizes the most serious management and performance challenges facing the agency as identified by AOC's Inspector General in accordance with the Reports Consolidation Act of 2000. It includes a brief assessment of the agency's progress in addressing the challenges.

TOP, LEFT, AND OPPOSITE RIGHT: AOC is entrusted with the care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings in the world and the centerpiece of Capitol Hill.





**Summary of Financial Statement Audit and Management Assurances.** Summary tables of material weaknesses in internal controls and system non-conformances as determined during the independent auditors' financial statement audit, material weaknesses resulting from management's evaluation of internal controls using the FMFIA and OMB Circular A-123 as general guidance, and management's evaluation of financial systems conformance with financial management system requirements referencing the FMFIA and FFMIA for general guidance.

**Improper Payments Information Act and Improper Payments Elimination and Recovery Improvement Act Information.** An overview of AOC's efforts to identify any programs where significant erroneous payments may have occurred and how AOC's invoice payment process incorporates the Do Not Pay capability.

**Freeze the Footprint.** Though not subject to "Freeze the Footprint" disclosures, information about AOC's real property square footage for the FY 2012 baseline and FY 2014 is presented.

**Small Business Accomplishments.** A summary of AOC's efforts in meeting its goals under its small business set-aside program.

## Schedule of Spending

The Schedule of Spending provides an accessible and easily understandable financial summary of how and where agencies are spending money for the reporting period. As shown in **Table 50**, an overview of how much money AOC had available to spend, how or on what that money was spent, and who the money went to for the fiscal years ended September 30, 2014 and 2013. The data for the Schedule of Spending is the same used to prepare the Statement of Budgetary Resources (SBR). The Schedule of Spending provides a more detailed summary of the "Obligations Incurred" line shown on the Statement of Budgetary Resources. "What Money is Available to Spend?" compares to the SBR's total resources, factoring the amounts for funds available and unavailable. The term "spend," as used in this report, means funds paid out or used. It does not equate to expenses as reported in the Statement of Net Cost.





**TABLE 50: Schedule of Spending**

Schedule of Spending												
For the Year Ended September 30, 2014 (Dollars in Thousands)												
	Total	AOC Capitol Building	AOC Capitol Grounds	AOC Capitol Police Buildings, Grounds and Security	AOC General Administration	AOC House Office Buildings	AOC Library Buildings and Grounds	AOC Senate Office Buildings	AOC Utilities and Capitol Power Plant	U.S. Botanic Garden	U.S. Capitol Visitor Center	U.S. Supreme Court Buildings and Grounds
<b>What Money is Available to Spend?</b>												
<b>Total Resources</b>	<b>\$1,116,277</b>	<b>\$ 95,838</b>	<b>\$ 19,899</b>	<b>\$ 24,849</b>	<b>\$ 102,868</b>	<b>\$ 378,147</b>	<b>\$ 75,856</b>	<b>\$ 115,806</b>	<b>\$ 183,284</b>	<b>\$ 15,095</b>	<b>\$ 38,787</b>	<b>\$ 65,845</b>
Less Amount Available but Not Agreed to be Spent	(490,143)	(49,146)	(8,159)	(3,845)	(5,561)	(284,361)	(40,009)	(36,015)	(28,212)	(3,428)	(13,529)	(17,875)
Less Amount Not Available to be Spent	(25,778)	(1,177)	(548)	(756)	(3,484)	(878)	(1,229)	(2,279)	(13,173)	(1,088)	(1,166)	0
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 600,356</b>	<b>\$ 45,515</b>	<b>\$ 11,192</b>	<b>\$ 20,248</b>	<b>\$ 93,823</b>	<b>\$ 92,908</b>	<b>\$ 34,618</b>	<b>\$ 77,512</b>	<b>\$ 141,899</b>	<b>\$ 10,579</b>	<b>\$ 24,092</b>	<b>\$ 47,970</b>
<b>How was the Money Spent/Issued?</b>												
Personnel Compensation/ Benefits	\$ 254,719	\$ 23,882	\$ 6,879	\$ 3,042	\$ 57,735	\$ 47,415	\$ 23,684	\$ 45,192	\$ 16,632	\$ 6,731	\$ 18,570	\$ 4,957
Contracts	342,983	21,411	4,156	17,005	35,911	45,195	10,693	32,021	125,249	3,568	5,227	42,547
Other (Unclassified)	2,654	222	157	201	177	298	241	299	18	280	295	466
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 600,356</b>	<b>\$ 45,515</b>	<b>\$ 11,192</b>	<b>\$ 20,248</b>	<b>\$ 93,823</b>	<b>\$ 92,908</b>	<b>\$ 34,618</b>	<b>\$ 77,512</b>	<b>\$ 141,899</b>	<b>\$ 10,579</b>	<b>\$ 24,092</b>	<b>\$ 47,970</b>
<b>Who Did the Money Go to?</b>												
Employees	\$ 250,041	\$ 23,898	\$ 6,881	\$ 2,707	\$ 57,180	\$ 47,443	\$ 23,695	\$ 45,261	\$ 13,004	\$ 6,614	\$ 18,392	\$ 4,966
Federal Entities	46,339	325	29	900	10,885	10,959	318	6,724	12,516	286	815	2,582
Non-Federal Entities	303,976	21,292	4,282	16,641	25,758	34,506	10,605	25,527	116,379	3,679	4,885	40,422
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 600,356</b>	<b>\$ 45,515</b>	<b>\$ 11,192</b>	<b>\$ 20,248</b>	<b>\$ 93,823</b>	<b>\$ 92,908</b>	<b>\$ 34,618</b>	<b>\$ 77,512</b>	<b>\$ 141,899</b>	<b>\$ 10,579</b>	<b>\$ 24,092</b>	<b>\$ 47,970</b>

TABLE 50: Schedule of Spending (continued)

Schedule of Spending												
For the Year Ended September 30, 2013 (Dollars in Thousands)												
	Total	AOC Capitol Building	AOC Capitol Grounds	AOC Capitol Police Buildings, Grounds and Security	AOC General Administration	AOC House Office Buildings	AOC Library Buildings and Grounds	AOC Senate Office Buildings	AOC Utilities and Capitol Power Plant	U.S. Botanic Garden	U.S. Capitol Visitor Center	U.S. Supreme Court Buildings and Grounds
<b>What Money is Available to Spend?</b>												
Total Resources	\$ 981,155	\$ 109,066	\$ 14,929	\$ 28,862	\$ 99,743	\$ 304,142	\$ 60,859	\$ 99,973	\$ 155,418	\$ 14,280	\$ 34,973	\$ 58,908
Less Amount Available but Not Agreed to be Spent	(401,936)	(30,604)	(4,998)	(3,756)	(4,780)	(230,371)	(18,068)	(36,437)	(38,725)	(1,542)	(10,864)	(21,792)
Less Amount Not Available to be Spent	(25,896)	(755)	(601)	(1,064)	(3,120)	(926)	(1,007)	(2,191)	(14,077)	(1,021)	(1,134)	0
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 553,323</b>	<b>\$ 77,707</b>	<b>\$ 9,330</b>	<b>\$ 24,042</b>	<b>\$ 91,843</b>	<b>\$ 72,845</b>	<b>\$ 41,785</b>	<b>\$ 61,345</b>	<b>\$ 102,616</b>	<b>\$ 11,718</b>	<b>\$ 22,975</b>	<b>\$ 37,116</b>
<b>How was the Money Spent/Issued?</b>												
Personnel Compensation/Benefits	\$ 236,123	\$ 21,087	\$ 6,226	\$ 3,524	\$ 53,527	\$ 44,359	\$ 26,542	\$ 43,517	\$ 10,532	\$ 6,332	\$ 16,090	\$ 4,388
Contracts	299,638	56,351	2,854	18,831	35,595	28,149	12,562	16,574	86,332	4,894	5,820	31,675
Investments and loans	3	0	0	0	0	0	0	0	0	0	0	3
Other (Unclassified)	17,559	269	250	1,688	2,722	337	2,680	1,254	5,752	491	1,065	1,051
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 553,323</b>	<b>\$ 77,707</b>	<b>\$ 9,330</b>	<b>\$ 24,042</b>	<b>\$ 91,843</b>	<b>\$ 72,845</b>	<b>\$ 41,785</b>	<b>\$ 61,345</b>	<b>\$ 102,616</b>	<b>\$ 11,718</b>	<b>\$ 22,975</b>	<b>\$ 37,116</b>
<b>Who Did the Money Go to?</b>												
Employees	\$ 230,096	\$ 20,452	\$ 6,039	\$ 3,525	\$ 50,187	\$ 42,982	\$ 27,015	\$ 41,993	\$ 10,866	\$ 5,939	\$ 16,955	\$ 4,143
Federal Entities	44,379	341	65	496	12,339	8,757	465	8,347	9,446	200	856	3,066
Non-Federal Entities	278,848	56,913	3,226	20,021	29,317	21,106	14,304	11,005	82,303	5,578	5,165	29,908
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 553,323</b>	<b>\$ 77,707</b>	<b>\$ 9,330</b>	<b>\$ 24,042</b>	<b>\$ 91,843</b>	<b>\$ 72,845</b>	<b>\$ 41,785</b>	<b>\$ 61,345</b>	<b>\$ 102,616</b>	<b>\$ 11,718</b>	<b>\$ 22,975</b>	<b>\$ 37,116</b>





## The AOC Inspector General's Statement of Management Opportunities and Performance Challenges




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United States Government

### MEMORANDUM

DATE: September 30, 2014

TO: Stephen T. Ayers, FAIA, LEED AP  
Architect of the Capitol

FROM: Kevin Mulshine   
Inspector General

SUBJECT: Statement of Management Opportunities and Performance Challenges

I am pleased to present the Statement of Management Opportunities and Performance Challenges (Statement) for the Fiscal Year ending September 30, 2014. This Statement, prepared pursuant to your request, identifies and assesses the most serious challenges facing the Architect of the Capitol (AOC) from the Office of Inspector General's perspective, and the AOC's progress in addressing challenges from prior year Statements.

We look forward to working with you, the chief operating officer, and our colleagues on the entire AOC team in the coming year to help AOC achieve its strategic vision to build a culture of accountability and responsibility and to improve efficiency and effectiveness throughout the AOC. Collectively, we can promote economy and efficiency while working to prevent and eliminate fraud, waste and abuse.

If you have any questions, please contact me at 202.593.0260 or [kmulshin@aoc.gov](mailto:kmulshin@aoc.gov).

Copy to: Christine A. Merdon, Chief Operating Officer  
AOC Senior Leadership Team



## The AOC Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Introduction

As requested, this is the Office of Inspector General's (OIG) annual Statement of Management Opportunities and Performance Challenges (Statement). This document identifies the Architect of the Capitol's (AOC) most significant challenges and opportunities for improvement. The Statement is based on the results of our observations, audit and investigative efforts, as well as the AOC-contracted Financial Statements Audit. We are optimistic that AOC's economy, efficiency and effectiveness would benefit greatly from AOC-wide emphasis on these challenges, led by AOC senior management. The risks of fraud, waste and abuse would be reduced through improved prevention and detection controls. We appreciate this opportunity to provide the Architect of the Capitol, the Chief Operating Officer and senior leadership with our unique perspective on areas that need increased management attention and decisive action.

The AOC Capitol Complex Master Plan, along with a Five-Year Capital Improvement Plan, includes a rank-ordered, deferred maintenance project list. This backlog of construction and maintenance is dependent upon increased funding. Limited resources are a challenge for the AOC and this funding challenge is not further addressed in this document, except to say that the efficient expenditure of the resources that are available is key to the AOC mission.

While recognizing AOC's accomplishments in executing the core mission, amid fiscal constraints, the AOC must make progress in these challenge areas. The OIG believes that focusing senior leadership attention on the challenges enumerated below will help to improve service delivery; promote economy and efficiency; and also reduce the potential for fraud, waste and abuse in AOC operations. Management focus on these challenges will help ensure that finite AOC appropriations are carefully used to meet the needs of Congress and the Supreme Court of the United States.

## The AOC Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### The Opportunities and Challenges

We believe these four challenges present significant opportunities for AOC organizational improvement. These challenges should be viewed as parts of a whole, rather than as separate, unrelated parts. From our perspective, the key of all the challenges is related to changing the agency-wide culture that views internal controls as an extra burden, rather than as a necessary part of how each employee approaches day-to-day work. AOC still does not have a robust program; however, senior management at this point has committed to establishing internal controls as a cornerstone, rather than as an extra chore.

We are pleased to report that *Policy Enforcement*, which was listed as a challenge last year, has been eliminated. AOC has made remarkable progress in establishing a central policy library and managing annual updates. Accountability for policy enforcement has been placed with the policy owner, with oversight by senior management and the OIG. Currently, policies are routinely revised or eliminated on a scheduled basis.

Similarly, *Procurement Policy* has been eliminated as one part of a broader procurement challenge, as AOC issued their first-ever *Contracting Manual* on March 31, 2014. However, AOC has not yet implemented two proactive initiatives to reduce fraud risks in contracting, and those initiatives remain as challenges from last year's Statement.

We are looking more closely at the fraud risk-avoidance initiatives recommended in last year's Statement, and so we are suspending them in this Statement. A revised version of these recommendations may return in next year's Statement or, if warranted, earlier in a report with detailed legal analysis that includes a discussion of the lack of binding Federal Acquisition Regulations applying to the AOC.

Two challenges listed below continue, at least in part, from last year and this Statement includes updates to those challenges:

- *Enhancing Internal Controls*
- *Improving Human Capital Management*

We are adding a new challenge this year which we further describe in this report:

- *Property Accountability and Surplus Property Disposal*

## The AOC Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Enhancing Internal Controls

After 12 years of struggling to implement an Internal Control Program, the AOC has made significant inroads into establishing a viable program over the past year. The Internal Control Material Weakness identified in the Fiscal Year (FY) 2012 Financial Statements Audit was not reaffirmed in the FY 2013 Financial Statements Audit. In addition, the Senior Management Council (SMC) has not only prioritized completing the steps necessary to implement the program but is establishing firm milestone dates and formalizing Internal Control Policy. The draft policy provides sufficient detail to ensure personnel are aware of their roles in the process. Personnel at all levels of the process are to be held accountable for completion of assigned tasks.

AOC's senior leaders along with the Senior Assessment Team (SAT), are responsible for setting the proper tone and provide all the resources needed for success. Vulnerability assessments have been updated and completed to identify areas for testing. Testing in limited areas is being completed and reviewed. The SMC recognizes that AOC's Internal Control Program is in its relative infancy and plans on continuing the contractual arrangement that has aided their efforts to date.

From our past perspective, a stumbling block in this management challenge was an agency-wide culture that viewed internal controls as an extra burden, rather than as a necessary part of how each employee approaches day-to-day work. AOC still does not have a robust program; however, senior management at this point has committed to establishing internal controls as a cornerstone of its accountability structure.

We will continue our roles on the SMC and the SAT, as an advisor, and monitor actual implementation through OIG Audits and Investigations.



## **The AOC Inspector General's Statement of Management Opportunities and Performance Challenges (continued)**

### **Improving Human Capital Management**

Employees provide the backbone of AOC's effectiveness – employee salaries and benefits make up about half of the AOC's annual appropriations. Notable progress has been made on this previously identified challenge, but additional work remains before it can be closed.

The AOC previously used a computer-based system to support applicants and the workforce. That system was used exclusively to apply for jobs, create employee performance plans to evaluate employees, and to request personnel actions. Based on significant employee, supervisor and manager frustration, the Chief Operating Officer (COO) requested the OIG assess the system and provide possible options. Using our results as a baseline, the COO established a task force to develop and execute an action plan to transition to a new system. AOC has since moved to a federal software platform to support the job application process, and developed interim in-house solutions to ensure performance plans, employee feedback and performance evaluations were documented and completed in a timely manner. We are encouraged by this remarkable and much needed improvement in computer-assisted personnel management, and will continue to monitor further progress in human resources management.

AOC continues to have a "Drug Free Workplace" policy that has not been fully implemented. As a result, managers who suspect substance abuse in the workplace have few tools available to determine whether substance abuse is occurring. This is particularly troubling given that much of the AOC workforce regularly operates power tools and motor vehicles, works on roof tops and other high-hazard places, and is exposed to exceptional hazards such as high voltage electricity. We are encouraged that the AOC will begin drug testing for new employees in FY 2014, but a comprehensive substance abuse testing program for all employees, current and new, to ensure a drug free workplace is advisable.

The OIG has now identified a separate legal requirement under U.S. Department of Transportation (DOT) regulations, concerning mandatory drug testing for the employees who require commercial driver's licenses to operate large motor vehicles as a condition of their employment at AOC. AOC has concurred with the OIG recommendation that this testing of these few employees must be implemented, but has not yet provided the policy and procedural framework to begin testing and to ensure compliance with this DOT regulation.

## The AOC Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Property Accountability and Surplus Property Disposal

In December 2013, the AOC developed improved property controls and published their new *Personal Property Manual* for the accountability of government property valued at over \$1,500. The OIG has identified, however, significant risks concerning hand and power tools, which are easily pilfered. These tools are used in the craft or construction trades or are Information Technology (IT) equipment, all of which are valued below that \$1,500 accountable threshold. This government property may be easily pilfered and is generally not inventoried or otherwise managed in either WebTMA or Maximo, the two property accountability systems currently in place within AOC.

The separate jurisdictions have differing internal procedures to account for the issuance and return of hand tools, and in most instances new tools are simply issued to employees if the tools issued earlier are reported lost or stolen, with no reports of survey or other accountability on the missing property. The proper application of the *Personal Property Manual* requires standard operating procedures on the jurisdiction level for comprehensive coverage. On an AOC-wide basis, few Report of Survey investigations have been completed to determine the reasons for the missing property regardless of the dollar value, the financial accountability for those who lost the property has been weak, at best. Having this Report of Survey process, as part of the *Personal Property Manual* is laudable, however, the policy has not been fully implemented and enforced.

IT equipment, which is highly susceptible to theft, is recorded in a completely separate, contractor-managed, IT inventory process that has been prone to significant errors in accuracy and lost accountability of government property through inadequate receipt and turn-in procedures. The most recent inventory by an outside contractor identified significant overages of property that had been located in work centers, but were not on prior inventory records. The information on exactly what IT property is missing has not yet been fully determined, but the OIG inquiries led to ongoing efforts to improve the IT inventory process.

Similarly, the OIG has identified serious concerns with the appropriate disposition of surplus property. These concerns surfaced through several investigations and proactive surveys. Recyclable materials had been disposed of without adequate vendor competition, and building materials, live plants and other property was destroyed, based on the mistaken impression that it could not be disposed of in a more productive manner. This property could have been used elsewhere within the AOC or donated to charitable organizations under recently-enacted statutory authority that provides options for disposal of surplus property. This disposal must be in accord with all legal requirements.

## **The AOC Inspector General's Statement of Management Opportunities and Performance Challenges (continued)**

### **Concluding Thoughts**

All federal agencies have areas for improvement. This Statement of Management Challenges, as seen from the Inspector General's perspective, should be taken in that context. The AOC has much to be proud of as it has eliminated or reduced some prior challenges. The remarkable progress in updating policies, drafting its first global procurement order, identifying a new personnel software management system, and beginning drug testing for new employees must be highlighted. All of these actions were in response, at least in part, to OIG recommendations.

The OIG is encouraged by progress on the identified challenges. The OIG will work in new areas where we may find additional challenges. Further, the OIG will report on the voluntary fraud prevention and risk-avoidance initiatives after closer study. Still, this record of addressing and overcoming many of the challenges reported earlier has resulted in a stronger organization dedicated to accomplishing the AOC mission in an efficient and effective manner.



## Summary of Financial Statement Audit and Management Assurances

The AOC tracks audit material weaknesses, as well as other requirements of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). Below is management's summary of these matters as required by OMB Circular No. A-136, *Financial Reporting Requirements*, revised.

**TABLE 51: Summary of Financial Statement Audit**

<b>AUDIT OPINION TYPE</b>	Unmodified				
<b>RESTATEMENT (YES/NO)</b>	No				
	<b>Beginning Balance</b>	<b>New</b>	<b>Resolved</b>	<b>Consolidated/ Reassessed</b>	<b>Ending Balance</b>
<b>Material Weaknesses</b>	0	0	0	0	0

**TABLE 52: Summary of Management Assurances**

<b>EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA, para. 2)</b>					
<b>STATEMENT OF ASSURANCE</b>	Unqualified				
	<b>Beginning Balance</b>	<b>New</b>	<b>Resolved</b>	<b>Consolidated/ Reassessed</b>	<b>Ending Balance</b>
<b>Material Weaknesses</b>	0	0	0	0	0
<b>Material Weaknesses</b>	0	0	0	0	0
<b>EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA, para. 2)</b>					
<b>STATEMENT OF ASSURANCE</b>	Unqualified				
	<b>Beginning Balance</b>	<b>New</b>	<b>Resolved</b>	<b>Consolidated/ Reassessed</b>	<b>Ending Balance</b>
<b>Material Weaknesses</b>	0	0	0	0	0
<b>Material Weaknesses</b>	0	0	0	0	0
<b>CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA, para. 4)</b>					
<b>STATEMENT OF ASSURANCE</b>	Systems conform to financial system management requirements				
	<b>Beginning Balance</b>	<b>New</b>	<b>Resolved</b>	<b>Consolidated/ Reassessed</b>	<b>Ending Balance</b>
<b>Nonconformances</b>	0	0	0	0	0
<b>Total Nonconformances</b>	0	0	0	0	0
<b>COMPLIANCE WITH FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)</b>					
	<b>Agency</b>		<b>Auditor</b>		
1. System Requirements	No lack of substantial compliance noted		No lack of substantial compliance noted		
2. Accounting Standards	No lack of substantial compliance noted		No lack of substantial compliance noted		
3. U.S. Standard General Ledger (USSGL) at Transaction Level	No lack of substantial compliance noted		No lack of substantial compliance noted		



## In Focus

### AOC Expanding Use of Shared Services

In recent years, AOC has increasingly relied on federal shared services. Shared services pertain to common support services, such as payroll, that are performed on a centralized basis by one federal agency for other agencies. Taking advantage of shared services allows AOC to achieve administrative and operational efficiencies, reduce agency costs through economies of scale and standardization, and better focus on its mission.

Examples of shared services implemented at the AOC include:

- Since FY 2012, AOC has used the Treasury's Web-based Invoice Processing Platform (IPP), a secure electronic invoicing system that allows AOC to simplify vendor invoice management and payments. While AOC is not subject to the Prompt Payment Act, IPP helps AOC eliminate late vendor payments and quickly resolve invoicing problems. In FY 2014, 93 percent of AOC's payments were on time and averaged 15 days to process (down from 23 days in FY 2013).
- In FY 2014, AOC began the phased migration of AOC's Human Resources Information System (HRIS) to Treasury's HR Career Connector—Treasury's primary human resource system that provides a broad range of applications, services and information. The HRIS Staffing Module has been implemented at the AOC to support developing and posting vacancy announcements directly to USAJOBS. The initial investment is projected to achieve an annual savings of \$3 million plus deliver improved customer service.

Looking ahead, AOC will continue pursuing shared services opportunities. Viable options must meet AOC requirements, have an acceptable impact to AOC mission and customers and represent a sound business case. For example, the planned migration of the AOC's financial data into the Legislative Branch Financial Management System shared services environment at the Library of Congress is projected to achieve an annual savings of almost \$1.4 million.

For more information on IPP: [www.ipp.gov](http://www.ipp.gov).

## Improper Payments Information Act and Improper Payments Elimination and Recovery Improvement Act

The Improper Payments Information Act of 2002 (IPIA) defines requirements to reduce improper and erroneous payments made by the Federal government. OMB also has established specific reporting requirements for Executive Branch agencies with programs that have a significant risk of erroneous payments and for reporting on the results of recovery auditing activities. A significant erroneous payment, as defined by OMB, is an annual erroneous program payment that exceeds both 2.5 percent of the program payments and \$10 million.

AOC is a Legislative Branch office and, as such, is not subject to this Act or the related OMB guidance. As a result, AOC has not adopted policies implementing this law. Nonetheless, as part of its multi-year effort for implementing its Internal Control Program and conducting reviews of its internal controls and financial systems (using FMFIA as a general reference tool), a formal annual assessment will be developed to identify any programs where significant erroneous payments may have occurred within AOC. As part of this effort, AOC will refer to the Improper Payments Information Act for general guidance.

The Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) requires the OMB to submit to Congress an annual report regarding the operation of the Do Not Pay Initiative. The AOC uses the Department of Treasury's IPP for centralizing its invoice payment process. IPP is a secure online platform which incorporates Do Not Pay for the Federal agencies using this system.



## Freeze the Footprint

Consistent with Section 3 of the OMB Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations* and OMB Management Procedures Memorandum 2013-02, the “Freeze the Footprint” policy implementing guidance, all CFO Act departments and agencies shall not increase the total square footage of their domestic office and warehouse inventory compared to the FY 2012 baseline.

AOC is a Legislative Branch agency and, as a result, is not subject to the “Freeze the Footprint” disclosures. The AOC’s mission includes managing a unique real estate portfolio that includes office and historic buildings on Capitol Hill for the Legislative and Judicial Branches. Although it is not required to comply with the “Freeze the Footprint” disclosures, AOC presents **(Table 53)** its total square footage for the current year and its FY 2012 baseline. Total square footage includes all facility space that AOC is responsible for. This portfolio includes a wide variety of real property which reflects AOC’s diverse mission: office space, committee rooms, inventory storage, exhibit space, a conservatory, a plant production facility, a visitor center, two gift shops, a power plant, tunnels for transportation and steam delivery, multiple book storage modules, a summer house and others.

**TABLE 53: AOC Square Footage**

	FY 2012 Baseline (rounded)	FY 2014 (rounded)	Change
Square Footage	17.4 million sq. ft.	Over 17.4 million sq. ft.	Increased

As shown, the square footage increased over this baseline. This is primarily a result of the February 2013 lease of approximately 257,000 square feet of building space from the General Services Administration in the Thomas P. O’Neill, Jr. Federal Building. This space will support the U.S. House of Representatives and include swing space for the renewal of the Cannon House Office Building. This space will provide offices, conference rooms, administrative functional areas and support spaces.

To reduce the costs associated with real property, AOC has implemented a number of key initiatives. These include reducing overall energy usage by 25.5 percent in FY 2014, reducing water usage, managing overtime hours, canceling contracts and bringing the work in-house, making improvements to building automation systems by installing direct digital controls and many others.





## Small Business Accomplishments

AOC procurement authority is separate from the Competition in Contracting Act and other laws affecting the Executive Branch, and AOC is not authorized by law to use the Small Business Act for set-aside programs or subcontracting plans. However, AOC's procurement authority does provide discretion in the level of competition required when using small purchase procedures for open market purchases. As a result of this discretion, AOC is interested in directing more business opportunities to the small business community and has created a small business subcontracting program and a small business set-aside program for small purchases \$100,000 or less. AOC works collaboratively with the Small Business Administration to implement and operate small business programs at AOC.

AOC has established socio-economic goals through its small business programs for prime contract awards to small business, small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business, and

HUBZone small business concerns. In FY 2014, as shown in the table below, a goal of 65 percent of all contract awards were to go to small businesses. The percentage of awards to various small business categories within this goal is also shown in the table. AOC exceeded the goals for every category of small business concerns through increased visibility in the small business community, consultations with small business concerns seeking information regarding the AOC's procurements, on-going data collection efforts on the type of business of AOC vendors, and actively seeking small business concerns for small purchases.

AOC's other efforts to support local and small businesses include hosting a Small Business Industry Day in February 2014 at the CVC, and recognizing AOC jurisdictions that met or exceeded socio-economic contracting goals through the Architect's Honor Awards Program. In FY 2014, AOC awarded contracts in excess of \$26.8 million to small businesses.

### Small Business Program Accomplishments, October 1, 2013 to September 30, 2014

Category	FY 2014 Goal	FY 2014 Achievements*	Goal Met?
Small Business	65%	86.8%	Yes
Small Disadvantaged Business	8%	16.8%	Yes
Women-Owned Small Business	11%	15.6%	Yes
Veteran-Owned Small Business	4%	8.1%	Yes
Service-Disabled Veteran-Owned Small Business	1%	1.4%	Yes
HUBZone Small Business	1%	1.8%	Yes

\*Contract awards may fall under more than one category.









## Appendices



### Appendix A: AOC Jurisdictions' Key Accomplishments and Priorities

AOC is nonpartisan office in the U.S. government's Legislative Branch and is comprised of 10 primary jurisdictions, plus general administration offices to provide agency-wide shared business services and program management. Each jurisdiction has distinct responsibilities for the maintenance, operation, development and preservation of a designated area of Capitol Hill. **Table 54** identifies the primary AOC jurisdictions.

This appendix highlights the primary jurisdiction's top accomplishments for FY 2014 and their FY 2015 priorities. These accomplishments and priorities support AOC's mission and Strategic Vision and supplement the information provided in *Section I: Management's Discussion and Analysis*. In addition to the information contained in this appendix, each jurisdiction also identified employees that exemplify AOC's values and its efforts to *Serve, Preserve and Inspire*. These employees are highlighted throughout this report.

TOP: A protective canopy is installed in the U.S. Capitol Rotunda as part of the Dome Restoration Project. LEFT: AOC initiated Phase 1 of the multi-year Olmsted Terrace Stone & Metals Preservation project to repair, clean and preserve the masonry at the U.S. Capitol.



**TABLE 54: List of Primary AOC Jurisdictions**

	<b>AOC Capitol Building (CB).</b> Responsible for the maintenance, care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings and the centerpiece of Capitol Hill.
	<b>AOC Capitol Grounds (CG).</b> Responsible for preserving and maintaining approximately 286 acres of historic landscape and grounds infrastructure across Capitol Hill.
	<b>AOC Capitol Police Buildings, Grounds and Security (CPBG&amp;S).</b> Responsible for the maintenance, care and operations of the U.S. Capitol Police buildings and grounds.
	<b>AOC House Office Buildings (HOB).</b> Responsible for the support and maintenance of the facilities supporting the office and committee space for the members of the U.S. House of Representatives and their staffs.
	<b>AOC Library Buildings and Grounds (LBG).</b> Responsible for the maintenance, operations and care of the Library of Congress facilities and grounds.
	<b>AOC Senate Office Buildings (SOB).</b> Responsible for the support and maintenance of the facilities supporting the office and committee space for the U.S. Senators and their staffs.
	<b>AOC Supreme Court Building and Grounds (SCBG).</b> Responsible for the operations and maintenance of the Supreme Court Building and the Thurgood Marshall Federal Judiciary Building.
	<b>AOC Utilities and Capitol Power Plant (CPP).</b> Responsible for providing centralized utility services for Capitol Hill and maintaining and operating the Capitol Power Plant, which provides steam and chilled water to heat and cool the U.S. Capitol and 22 other facilities.
	<b>U.S. Botanic Garden (USBG).</b> Responsible for the maintenance, operations and care for the U.S. Botanic Garden Conservatory, support facilities, the National Garden, Bartholdi Park, and USBG's heritage and other plant collections.
	<b>U.S. Capitol Visitor Center (CVC).</b> Responsible for visitor services and general operations at the Capitol Visitor Center—including informational exhibits, a restaurant, two orientation theatres, a large auditorium and two gift shops.



**AOC CAPITOL BUILDING**



**AOC CAPITOL GROUNDS**

## **Key Accomplishments in FY 2014**

### **Initiated Restoration Projects**

AOC Capitol Building initiated two high-profile preservation projects, including the multi-year Dome Restoration Project. Phases IIA and IIB were awarded and include constructing scaffolding around the Dome to begin cast iron restoration and lead paint abatement. The jurisdiction also initiated the Exterior Stone & Metal Preservation project to stabilize, repair, clean and preserve the Olmsted Terrace walls masonry.

### **Implemented Process Improvements**

The jurisdiction served as the pilot for the AOC-wide integration of data from the separate service request work order and time and attendance systems. This integration allows AOC to more effectively utilize labor resources. The jurisdiction also expanded the use of the Work Authorization Permits that track work performed by in-house personnel and contractors from other Legislative Branch organizations.

### **Delivered Superior Project Oversight**

Through a strong planning process, the jurisdiction delivered 95 percent of its in-house projects on time and within budget while maintaining a client satisfaction rating of 98 percent. Facilities Operations Specialists provide project construction and renovation oversight to identify areas of concern early and minimize cost and schedule impacts.

## **What's Next? FY 2015 Priorities**

### **Continue Dome Restoration**

AOC Capitol Building will work to obtain funding for the Dome Restoration's final phase and then successfully execute it on time and on budget. Restoration of the Rotunda interior includes removing lead based paint, updating systems to current codes and installing new energy-efficient lighting.

### **Continue Exterior Stone and Metal Preservation**

The jurisdiction will award the next phase of the Exterior Stone & Metal Preservation project. Close coordination and oversight is critical to stay on track and complete subsequent project phases prior to October 2016 so that preparations for the 2017 Presidential Inaugural may begin.

## **Key Accomplishments in FY 2014**

### **Conducted Cultural Landscape Reports**

AOC Capitol Grounds completed a Cultural Landscape Report for the Senate Parks and continued work on the Cultural Landscape Report for Union Square. Both will serve as valuable long-term planning tools for ongoing landscape maintenance and future development.

### **Delivered Exceptional Major Events Support**

The jurisdiction provided exceptional support during major events and maintained service delivery despite a protracted winter storm season. Key events supported included the annual Capitol Christmas tree lighting and the Memorial Day, Independence Day and Labor Day concerts. Events support included managing logistics, overseeing inter-agency coordination, and providing utilities support.

### **Completed Olmsted Fountain Laser Cleaning**

The jurisdiction completed a maintenance and restoration project for the historic bronze Olmsted Fountains using a laser cleaning process—the first time this process had been used on the Capitol grounds. Additionally, six historic light fixtures were treated along with a variety of smaller bronze elements across Capitol Hill.

## **What's Next? FY 2015 Priorities**

### **Mitigate Barriers to Access**

The jurisdiction will mitigate as many barriers to access as possible in accordance with the Americans with Disabilities Act (ADA) Accessibility Standards. The jurisdiction will also plan for subsequent ADA remediation work to clear all remaining findings from the 111th and 112th Congressional reports.

### **Begin Union Square Improvements**

The jurisdiction will address improvements to Union Square, including turf renovations, better management of visitor use patterns and improved woody plant maintenance and tree labeling. The jurisdiction will start a two-year conservation project for the Ulysses S. Grant Memorial that includes cleaning and treatment of the bronze statuary and fabrication of missing parts.



**AOC CAPITOL POLICE BUILDINGS,  
GROUNDS AND SECURITY**



**AOC HOUSE OFFICE BUILDINGS**

## Key Accomplishments in FY 2014

### Provided Immediate Response to Security Incidents

The jurisdiction made emergency repairs to a police kiosk and a perimeter security barrier damaged during a police chase incident that entered Capitol Hill. Despite this incident occurring during the government shutdown, integrity of the perimeter returned to normal within three days.

### Retrofit Air Handling Units

The jurisdiction replaced the Alternate Computer Facility (ACF) computer room air conditioner. The new unit and its backup provide the proper cooling and redundancy to fully protect the uninterruptable power supply systems and electrical switchgear. The new units use 30 percent less electricity and provide critical redundancy.

### Reduced Energy Usage

The jurisdiction began installing a building controls system at the U.S. Capitol Police headquarters to reduce energy through better monitoring and system operation. The project will improve client comfort and reduce the facility's energy use by 15 percent.

## What's Next? FY 2015 Priorities

### Replace Existing Chillers

The jurisdiction will execute the multi-phased ACF Chiller Replacement and Chilled Water System Expansion Design Project. This project replaces the existing chillers with new adequately sized chillers and associated pumps.

### Complete Facility Condition Assessments

The jurisdiction will complete a comprehensive Facility Condition Assessment for all of its facilities, with a goal of increasing and/or maintaining a high Facility Condition Index.

## Key Accomplishments in FY 2014

### Instituted Executive Safety Walkthroughs

The jurisdiction launched an Executive Safety Walkthrough Inspection Program. Each month, the Deputy Superintendent, Safety Specialists and the Assistant Superintendent for Facilities Support join the Assistant Superintendent of a specific area to inspect and observe in-process work.

### Improved Mobile Workforce Efficiency

The jurisdiction implemented facility management improvements through which technicians leverage mobile technology to track work, enter labor and create work orders with greater efficiency. The new process uses mobile phones and a facility management application.

### Reduced Water Usage and Expanded Recycling

The jurisdiction reduced water use by 10 percent over FY 2013. Multiple efforts contributed to this reduction, including repairs to the West House Underground Garage irrigation system. The jurisdiction also expanded its recycling program to include aluminum, stainless steel, and batteries.

## What's Next? FY 2015 Priorities

### Coordinate the 114th Congressional Office Moves

The jurisdiction has begun plans for a smooth 114th Congressional transition resulting from the November 2014 elections. This effort will entail managing hundreds of office and committee moves and thousands of related work orders and will require disciplined coordination and planning.

### Capture Institutional Knowledge

As 20 percent of jurisdiction employees are eligible to retire, or will be eligible within two years, the jurisdiction will continue updating and developing documentation on buildings and processes to prepare for staff turnover. As part of this critical effort, HOB is capturing the institutional knowledge of these individuals.





**AOC LIBRARY  
BUILDINGS AND GROUNDS**



**AOC SENATE OFFICE BUILDINGS**

## Key Accomplishments in FY 2014

### Enhanced Fire and Life Safety Program

The jurisdiction undertook a number of fire and life-safety program enhancements, including a \$4.7 million upgrade to the emergency lighting and exit signs at the James Madison Memorial Building (JMMB). This project is 70 percent complete and scheduled to be finished in spring 2015.

### Completed Historic Preservation Projects

The jurisdiction completed several historic preservation projects, including installing seven new exterior doors at the John Adams Building. This project entailed fully restoring the metal work on the existing historic bronze doors and incorporating them into the design. The jurisdiction also restored the JMMB's atrium for use by staff and the public.

### Achieved Energy Cost Savings

The jurisdiction reduced electrical utility costs by \$780,000 per year. The reductions were achieved by using new technology such as the utility metering enterprise system, which provides real time energy usage. Facility management changes to reduce energy included increasing setbacks of non-essential lighting, escalators, elevators and shutting down air handling units at night and on weekends.

## What's Next? FY 2015 Priorities

### Continue Correcting Egress Deficiencies

The jurisdiction will address Office of Compliance findings related to a lack of exit stairwells and exit pathways in the Thomas Jefferson Building that are not effectively protected against fire, smoke or toxic fumes.

### Continue Priority Maintenance and Renovation Projects

The jurisdiction will fund, award, construct and address priority maintenance and renovation projects such as replacing the JMMB's original hot water heat exchangers. The new, more energy-efficient system will be integrated in the Building Automation System.

## Key Accomplishments in FY 2014

### Renovated Russell Senate Office Building Hearing Room

The jurisdiction renovated the Russell Senate Office Building (RSOB) hearing room, SR-349. The effort repaired failing plaster, abated lead paint and upgraded fire and life-safety features. The jurisdiction also conducted a forensic paint analysis to uncover historically significant, period-specific paint schemes that were used in the restoration.

### Continued Fire and Life-Safety Systems Upgrades

The jurisdiction continued efforts to provide full automatic sprinkler and fire alarm system coverage in the historic RSOB Rotunda. This entailed installing automatic sprinklers and fire alarm detection and notification system devices on the first and second floors while preserving the Rotunda's ornate features.

### Implemented Infrastructure Improvements

The jurisdiction replaced nine air handling units and associated mechanical and electrical systems in the Dirksen Senate Office Building. The air units were upgraded to direct digital controls and integrated into the Building Automation System.

## What's Next? FY 2015 Priorities

### Deploy Online Suite Selection Tool

The jurisdiction will deploy the new Senate Online Suite Selection Tool for the Senate moves program. The tool will provide more flexibility and convenience in evaluating and selecting available suites during the 114th Congressional transition.

### Execute 114th Congress Senate Office Moves

The jurisdiction will execute the 114th Congress Senate moves program while meeting its prior customer satisfaction rating of 98 percent and implementing program improvements such as combining transition and swing suite stages.

### Complete Hart Roof and Skylights Replacement

The jurisdiction will complete the Hart Senate Office Building roof and skylights replacement. The failed roof and skylights have allowed water infiltration and building damage. Also, a safety analysis of the Calder Clouds mobile will be conducted to address structural concerns.



**AOC SUPREME COURT BUILDING  
AND GROUNDS**



**AOC UTILITIES AND  
CAPITOL POWER PLANT**

## Key Accomplishments in FY 2014

### Streamlined Business Operations

The jurisdiction streamlined business operations and improved processes. These include improving procurement planning to ensure maintenance contracts are awarded with option years, documenting and standardizing work processes and collaboratively developing a formal Snow Removal Standard Operating Procedure and Training Request process.

### Initiated Capital Budget Plan for Judiciary Building

The jurisdiction developed a 10-year Capital Budget Plan and annual budgeting process for the Thurgood Marshall Federal Judiciary Building (TMFJB). These efforts will help to prioritize and fund future project work to improve the building's condition.

### Initiated Retro-Commissioning

The jurisdiction advanced efforts to build a world-class maintenance program by initiating a retro-commissioning of Heating, Ventilation and Air Conditioning units and controls. A "Retro-commissioning Issues Log" of approximately 150 items was developed for further action—including mechanical and systems reprogramming issues.

## What's Next? FY 2015 Priorities

### Continue TMFJB Capital Renewal Projects

The jurisdiction will continue its long-term capital renewal projects for the TMFJB. These projects include the roof replacement, garage renovation, elevator replacement, smoke control modifications, basic network replacement, facade restoration and cable TV replacement.

### Commence East Facade Restoration

The jurisdiction will commence restoration work on the Supreme Court Building's East Facade, pending final FY 2015 funding, to address the 1935 building's deterioration from age, weather and nature. The West Facade Restoration was successfully completed in November 2013.

## Key Accomplishments in FY 2014

### Achieved Energy Savings

The jurisdiction achieved significant energy savings with the commissioning of the Refrigeration Plant Revitalization (RPR) program phase 1 chillers to improve chilled water production efficiency. The jurisdiction also added an additional heat exchanger, expanding the free cooling system's capacity by 35 percent, and installed two new variable speed feed water pumps to significantly improve steam system efficiency.

### Expanded Safety Partnering Program

The jurisdiction added two new elements to the "Safety Partnering" program including a CPP Safety Orientation and "Safety Stop" language in all AOC contracts. The CPP Safety Orientation is a mandatory presentation to all contractor personnel to inform them of the CPP hazards and safety procedures.

### Executed New Utility Services Agreements

The jurisdiction and the AOC General Counsel began replacing out-of-date service agreements with new Memoranda of Agreement (MOA) for non-AOC customer buildings serviced by the CPP. These include the Government Printing Office and Postal Square. An updated MOA with Union Station was completed in FY 2014.

## What's Next? FY 2015 Priorities

### Deliver Major Infrastructure Improvements

The jurisdiction will focus on two infrastructure improvements while maintaining continuous operations and service reliability. The jurisdiction expects to award the Cogeneration Plant design and construction contract and complete construction on the RPR program, phases 2A and 2B.

*For more information, see In Focus: Cogeneration at the Capitol Power Plant in Section I of this report.*

### Implement New Environmental Management System

The jurisdiction will fully implement the comprehensive new Environmental Management System to prevent pollution, ensure compliance with regulations and improve performance.





## U.S. BOTANIC GARDEN

### Key Accomplishments in FY 2014

#### Collaborated on SITES v2 Release

The jurisdiction welcomed the Sustainable Sites Initiative (SITES) v2 release. The SITES v2 Rating System and Reference Guide provides best practices and tools for creating and evaluating sustainable landscapes. The USBG collaborated with the Lady Bird Johnson Wildflower Center and the American Society of Landscape Architects on the release.

#### Began Interpretive Master Plan Update

The jurisdiction began its Interpretive Master Plan update. The current plan lays out the educational objectives of the Conservatory's rooms and outside gardens. A multi-division team will re-work the plan to reflect current Conservatory design and newer USBG elements—such as the Rain Garden.

#### Supported Resource Conservation

The jurisdiction composted over 860,000 pounds of organic waste and recycled over 80,000 pounds of cardboard, bottles, cans, paper and plastic. The USBG also integrated resource conservation into exhibits and public programming. For example, the 2014 Orchid Show utilized re-usable central hanging features and water jets.

*The USBG led a first-of-its kind effort to gather agriculture and education experts from across the country to determine priorities for education about the food system in botanic gardens.*

### What's Next? FY 2015 Priorities

#### Initiate Stone Preservation and Roof Replacement

The jurisdiction will begin work on the Conservatory front facade and roof replacement project. The project will repair worn stones and address deterioration issues which can cause water infiltration and falling stone fragments.

#### Begin Bartholdi Park Renovation

The USBG will renovate Bartholdi Park to enhance accessibility and improve sustainability. The project is targeted for completion in Spring 2016 and includes SITES v2 certification.



## U.S. CAPITOL VISITOR CENTER

### Key Accomplishments in FY 2014

#### Enhanced the Visitor Experience

The jurisdiction enhanced its operations to provide an exceptional Capitol tour experience. These enhancements included offering a new War of 1812 tour, expanding the Exhibition Hall Encounters Program, offering two mobile apps and delivering more special programs for students.

*Two new mobile Apps provide a U.S. Capitol Visitor Guide and a guide to the Capitol's National Statuary Hall Collection.*



#### Expanded Student Educational Programs

The jurisdiction expanded the second season of educational student programs. More than 700 students attended one of two offerings: "Art Appreciators: The Art and Architecture of the Capitol" and "Environment Matters: How Does a Bill Become Law?" The jurisdiction also developed a tour specifically for middle-school students focused on civics education.

#### Reinforced a Culture of Accountability

The CVC completed several initiatives to empower the workforce, foster innovation and develop a culture of accountability. These include revamping the employee onboarding program, offering CEO of Visitor Services-hosted feedback sessions and developing a Leadership Development Program.

### What's Next? FY 2015 Priorities

#### Implement Business Process Improvements

The CVC will implement a new advance reservation system. An efficient, reliable and responsive system is critical to accommodating tour requests. The CVC will also complete a top-to-bottom business process review to streamline gift shop operations.

#### Enhance Employee Welfare

The jurisdiction will address priorities identified in employee focus groups and surveys, particularly in the areas of fairness, trust and accountability. The CVC will address these challenges in a manner that fosters a cohesive team approach.



## Appendix B: List of Major Facilities Under AOC's Care

AOC is a nonpartisan office in the U.S. government's Legislative Branch. AOC serves as builder, caretaker and curator of many of the nation's most iconic landmark buildings. The major AOC facilities, organized by jurisdiction, are listed in **Table 55** with their location and the date AOC assumed responsibility for them, whether through construction completion, acquisition, transfer or lease.

**TABLE 55: List of Major AOC Facilities**

Facility	Location	Year Built or Acquired (AOC acquisition date in parenthesis, if different)
<b>AOC Capitol Building</b>		
U.S. Capitol	Washington, DC	1793 and various dates
<b>AOC Capitol Grounds</b>		
Summerhouse	Washington, DC	1881
Capitol Square	Washington, DC	1894
Union Square	Washington, DC	Transferred from National Park Service in 2011
<b>AOC Capitol Police Buildings, Grounds and Security</b>		
Eney, Chestnut, Gibson Memorial Building (U.S. Capitol Police Headquarters)	Washington, DC	1930 (1986)
Courier Acceptance Facility	Washington, DC	1996
Vehicle Maintenance Facility	Washington, DC	1930
Canine Facility	Washington, DC	1996 (2004)
Fairchild Building	Washington, DC	Leased a portion of facility since 2004
Alternate Computer Facility	Location Withheld	1983 (2005)
Interim Offsite Delivery	Washington, DC	2006
<b>AOC General Administration</b>		
Construction Division Shops	Washington, DC	1982
Construction Division Warehouse	Alexandria, VA	Leased a portion of facility since 2006
<b>AOC House Office Buildings</b>		
Cannon House Office Building	Washington, DC	1908
Longworth House Office Building	Washington, DC	1933
Rayburn House Office Building	Washington, DC	1965
East and West House Underground Garages	Washington, DC	1968
Ford House Office Building	Washington, DC	1939 (1974)
House Page Dormitory	Washington, DC	1940 (1986)
Thomas P. O'Neill, Jr. Federal Building	Washington, DC	Leased a portion of facility since 2013

**TABLE 55: List of Major AOC Facilities** (continued)

Facility	Location	Year Built or Acquired (AOC acquisition date in parenthesis, if different)
<b>AOC Library Buildings and Grounds</b>		
Thomas Jefferson Building	Washington, DC	1897 (1922)
John Adams Building	Washington, DC	1938
James Madison Memorial Building	Washington, DC	1980
Special Services Facilities Center	Washington, DC	1990 (1991)
Congressional Campus, which includes:	Fort Meade, MD	Transferred from U.S. Army in 1993
Book Storage Modules	Fort Meade, MD	2002
Warehouse Buildings	Fort Meade, MD	1942 (Transferred from U.S. Army in 1993)
Packard Campus	Culpeper, VA	2007
<b>AOC Senate Office Buildings</b>		
Russell Senate Office Building	Washington, DC	1908
Senate Underground Garage	Washington, DC	1932
Monocle Restaurant	Washington, DC	1885 (1935)
Dirksen Senate Office Building	Washington, DC	1958
Robert A. Taft Memorial	Washington, DC	1959
Hart Senate Office Building	Washington, DC	1982
Webster Hall Page Dormitory	Washington, DC	1930 (1993)
Senate Day Care Center	Washington, DC	1998
Senate Mail Handling Facility	Landover, MD	2008
<b>AOC Supreme Court Buildings and Grounds</b>		
Supreme Court Building	Washington, DC	1935
Thurgood Marshall Federal Judiciary Building	Washington, DC	1992
<b>AOC Utilities and Capitol Power Plant</b>		
Generator Building	Washington, DC	1909
Main Boiler Plant	Washington, DC	1909
East Refrigeration Plant	Washington, DC	1937
Coal Facilities	Washington, DC	1990
Administration Building	Washington, DC	1978
West Refrigeration Plant	Washington, DC	1978 and various dates
<b>U.S. Botanic Garden</b>		
Administration Building	Washington, DC	1931
Bartholdi Park and Fountain	Washington, DC	1932
Conservatory	Washington, DC	1933
Production Facility Greenhouse and Headhouse	Washington, DC	1993
<b>U.S. Capitol Visitor Center</b>		
Capitol Visitor Center	Washington, DC	2008

## Appendix C: Websites and Media Platforms of Interest

**TABLE 56: Websites of Interest**

Name	Website
Architect of the Capitol	<a href="http://www.aoc.gov">www.aoc.gov</a>
Library of Congress	<a href="http://www.loc.gov/index.html">www.loc.gov/index.html</a>
The Supreme Court of the United States	<a href="http://www.supremecourt.gov">www.supremecourt.gov</a>
U.S. Botanic Garden	<a href="http://www.usbg.gov">www.usbg.gov</a>
U.S. Capitol Police	<a href="http://www.uscapitolpolice.gov">www.uscapitolpolice.gov</a>
U.S. Capitol Visitor Center	<a href="http://www.visitthecapitol.gov">www.visitthecapitol.gov</a>
U.S. House of Representatives	<a href="http://www.house.gov">www.house.gov</a>
U.S. Senate	<a href="http://www.senate.gov">www.senate.gov</a>

In addition, stay connected with the AOC via the social media and multimedia platforms below.

**TABLE 57: Media Platforms of Interest**

Name	Website
Facebook	<a href="http://www.facebook.com/ArchitectoftheCapitol">www.facebook.com/ArchitectoftheCapitol</a>
Flickr	<a href="http://www.flickr.com/photos/uscapitol">www.flickr.com/photos/uscapitol</a>
Instagram	<a href="http://www.instagram.com/uscapitol">www.instagram.com/uscapitol</a>
Pinterest	<a href="http://www.pinterest.com/uscapitol">www.pinterest.com/uscapitol</a>
RSS Feeds	<a href="http://feeds.feedburner.com/architectofthecapitol">feeds.feedburner.com/architectofthecapitol</a>
Twitter	<a href="http://www.twitter.com/uscapitol">www.twitter.com/uscapitol</a>
YouTube Channel	<a href="http://www.youtube.com/aocgov">www.youtube.com/aocgov</a>

The AOC publishes the quarterly employee magazine, *Foundations and Perspectives*. This magazine spotlights the staff who work behind the scenes 24 hours a day, 7 days a week to ensure the business of Congress and the Supreme Court is uninterrupted. *Foundations and Perspectives* may be found online at: [www.aoc.gov/foundations-perspectives](http://www.aoc.gov/foundations-perspectives).

In addition, AOC has two new online magazines available in Flipboard, a popular social media app: *Restoring the Capitol Dome* and *Caring for America's Capitol*. Both may be read at: [www.flipboard.com](http://www.flipboard.com).





## Appendix D: Reimbursable Accounts Summary

AOC has responsibility for a number of trust and revolving funds, along with reimbursable accounts. The trust and revolving funds are identified and described in *Section III: Financial Information* under financial statement Note 1.F. The reimbursable accounts are summarized below.

### AOC Reimbursements Collected and Posted to a Specific AOC Appropriation

**Battery Recharging Stations (2 U.S.C. §2170, P.L. 112-167 (Senate); and 2 U.S.C. §2171, P.L. 112-170 (House)).** In 2012, AOC was authorized to establish battery recharging stations for privately owned vehicles in parking areas under the jurisdiction of the U.S. Senate and the U.S. House of Representatives at no net cost to the Federal Government. Any fees, charges, or commissions collected by AOC shall be deposited to the credit of the appropriations account for the Capitol Power Plant. Monies deposited are available for obligation in the fiscal year collected or the fiscal year following the year collected.

**Capitol Complex E-85 Refueling Station (2 U.S.C. §2169; P.L. 110-140, Title V, §502).** In 2007, AOC was authorized to construct a fuel tank and pumping system for E-85 fuel at or within close proximity to the Capitol Grounds Fuel Station. The AOC's E-85 fuel tank and pumping system "shall be available for use by all legislative branch vehicles capable of operating with E-85 fuel, subject to such other legislative branch agencies reimbursing the Architect of the Capitol for the costs of E-85 fuel used by such other legislative branch vehicles."

**Disposition of Surplus or Obsolete Personal Property (2 U.S.C. §1817a; P.L. 111-68, Div. A, Title I, §1301).** In 2009, AOC was authorized, "within the limits of available appropriations, to dispose of surplus or obsolete personal property by inter-agency transfer, donation, sale, trade-in, or discarding. Amounts received for the sale or trade-in of personal property shall be credited to funds available for the operations of the Architect of the Capitol and be available for the costs of acquiring the same or similar property. Such funds shall be available for such purposes during the fiscal year received and the following fiscal year."

**Utility Reimbursements for Steam and Chilled Water (P.L. 113-76, Div. I, Title I, and prior year Appropriations Acts).** The Capitol Power Plant may collect amounts for the lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of the appropriation for the Capitol Power Plant.



## AOC Reimbursements Collected and Transferred to the U.S. Treasury General Fund

**Flag Flying Fees (2 U.S.C. §1867; P.L. 104-53, Title I).** Congress has directed “On and after November 19, 1995, expenses, based on full cost recovery, for flying American flags and providing certification services therefore shall be advanced or reimbursed upon request of the Architect of the Capitol, and amounts so received shall be deposited into the Treasury (General Fund).”

**Rent—The Monocle Restaurant (P.L. 91-382).** In 1970, as part of the extension of the Senate Office Building site (including square 724 in the District of Columbia—which includes the lot on which The Monocle Restaurant is located), AOC was authorized “to lease any or all of such property for such periods and under such terms and conditions as he [the Architect of the Capitol] may deem most advantageous to the United States and to incur any necessary expenses in connection therewith.” No specific appropriation for the deposit of such lease revenue was provided and, as a result, lease revenues are deposited into the Treasury (General Fund).

## Appendix E: Performance Indicators Added or No Longer Used

The following four performance indicators were added to the FY 2014 PAR. They did not appear in the FY 2013 PAR.

Performance Indicator	Mapped to Strategic Goal	Revision
Improved Organizational Assessment Position	2	Added
Customer Satisfaction with Cleanliness	3	Added
BSCSS Overall Customer Satisfaction	4	Added
Perception of Internal Service Provider Improvements	4	Added

AOC has no performance indicators to report as removed from this year's PAR.



### In Focus

#### 60 Minutes Recognizes the U.S. Capitol Dome's Anniversary

On December 1, 2013, the CBS news program 60 Minutes aired the feature “The Capitol Dome” to coincide with the 150th anniversary of the U.S. Capitol Dome's completion. On the anniversary, this iconic symbol of America's democracy was being prepared to undergo a major refurbishment effort—the Dome's first significant restoration in over 50 years.

When George Washington laid the cornerstone for the U.S. Capitol, he did not foresee the size or magnificence of the Dome today. The first Dome was low and constructed of wood covered by copper. By the 1850s, this Dome was considered too small for the vastly enlarged Capitol. The current Dome, proposed and designed by Thomas U. Walter, the fourth Architect of the Capitol, is constructed entirely of cast-iron. The Dome's construction was uninterrupted by the outbreak of the Civil War and, on December 2, 1863, it was topped with the Statue of Freedom.

In observing what it meant to have the Dome completed as the Civil War was nearing its end, current Architect of the Capitol, Stephen T. Ayers, stated in the 60 Minutes feature: “It's a measure of our endurance, of our will to succeed, and our will to get it done, and our will to stay together as a country.”

To ensure that the Dome will endure, AOC recently began the latest refurbishment phase of the multi-year project to repair more than 1,600 cracks and deficiencies. This work is critical for stopping the deterioration in the Dome's cast-iron and protecting the interior and the Rotunda. This project will restore the Dome to its original, inspiring splendor and ensure it can safely endure for future generations.

For more information, a video and transcript of this program may be viewed at:

[www.cbsnews.com/news/the-capitol-domes-150th-anniversary/](http://www.cbsnews.com/news/the-capitol-domes-150th-anniversary/)

## Appendix F: List of Abbreviations and Acronyms

### A

<b>ACF</b>	Alternate Computer Facility
<b>ACM</b>	Asbestos-Containing Materials
<b>ADA</b>	Americans with Disabilities Act
<b>AGA</b>	Association of Government Accountants
<b>AIA</b>	American Institute of Architects
<b>AICPA</b>	American Institute of Certified Public Accountants
<b>AMMD</b>	Acquisition and Material Management Division
<b>AMP</b>	Architect's Mobility Program
<b>AOC</b>	Architect of the Capitol
<b>AP</b>	Accredited Professional

### B

<b>BASnet</b>	Building Automation System Network
<b>BIM</b>	Building Information Modeling
<b>BSCSS</b>	Building Services Customer Satisfaction Survey

### C

<b>CAFM</b>	Computer Aided Facilities Management
<b>CAO</b>	AOC Chief Administrative Officer
<b>CB</b>	AOC Capitol Building
<b>CCMP</b>	Capitol Complex Master Plan
<b>CCR</b>	Central Contractor Registration
<b>CCRC</b>	Central Contractor Registration Connector
<b>CEAR</b>	Certificate of Excellence in Accountability Reporting
<b>CERCLA</b>	Comprehensive Environmental Response, Compensation and Liability Act
<b>CFM</b>	Certified Facilities Manager
<b>CFO</b>	AOC Chief Financial Officer
<b>CG</b>	AOC Capitol Grounds
<b>CGFM</b>	Certified Government Financial Manager
<b>CII</b>	Construction Industry Institute
<b>CIP</b>	Capital Improvements Plan
<b>CM</b>	Corrective Maintenance
<b>COO</b>	AOC Chief Operating Officer
<b>CPA</b>	Certified Public Accountant
<b>CPBG&amp;S</b>	AOC Capitol Police Buildings, Grounds and Security
<b>CPP</b>	AOC Utilities and Capitol Power Plant
<b>CSRDF</b>	Civil Service Retirement and Disability Fund
<b>CSRS</b>	Civil Service Retirement System
<b>CVC</b>	United States Capitol Visitor Center
<b>CWIP</b>	Construction Work-in-Progress

### D

<b>DOL</b>	Department of Labor
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### E

<b>EEODP</b>	Equal Employment Opportunity and Diversity Programs Office
<b>EISA2007</b>	Energy Independence and Security Act of 2007
<b>ELT</b>	Executive Leadership Team

<b>EPAAct2005</b>	Energy Policy Act of 2005
<b>ESPC</b>	Energy Savings Performance Contract
<b>ExCEL</b>	Exchange of Critical Expertise and Learning

### F

<b>FAIA</b>	Fellow, American Institute of Architects
<b>FASAB</b>	Federal Accounting Standards Advisory Board
<b>FASB</b>	Financial Accounting Standards Board
<b>FBO</b>	Federal Business Opportunities
<b>FBWT</b>	Fund Balance with Treasury
<b>FCA</b>	Facility Condition Assessment
<b>FECA</b>	Federal Employees' Compensation Act
<b>FERS</b>	Federal Employees' Retirement System
<b>FFMIA</b>	Federal Financial Management Improvement Act
<b>FISCAM</b>	Federal Information Systems Controls Audit Manual
<b>FISMA</b>	Federal Information Security Management Act
<b>FMFIA</b>	Federal Managers' Financial Integrity Act
<b>FMS</b>	Financial Management System
<b>FOH</b>	Federal Occupational Health
<b>FSD</b>	Financial Systems Division
<b>FTEs</b>	Full-Time Equivalents
<b>FY</b>	Fiscal Year

### G

<b>GA</b>	AOC General Administration
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GAO</b>	Government Accountability Office
<b>GC</b>	AOC General Counsel
<b>GIS</b>	Geographical Information System
<b>GPO</b>	Government Printing Office
<b>GPRA</b>	Government Performance and Results Act of 1993
<b>GPRAMA</b>	GPRA Modernization Act of 2010
<b>GSA</b>	General Services Administration
<b>GTAS</b>	Governmentwide Treasury Account Symbol Adjusted Trial Balance System

### H

<b>HCMD</b>	Human Capital Management Division
<b>HOB</b>	AOC House Office Buildings
<b>HOPS</b>	Hands-On Plant Science
<b>HR</b>	Human Resources
<b>HRIS</b>	Human Resources Information System

### I

<b>ICS</b>	Inventory Control System
<b>IG</b>	AOC Inspector General
<b>IMPACT</b>	Implementation Process Action Tool
<b>IPERIA</b>	Improper Payments Elimination and Recovery Improvement Act of 2012
<b>IPIA</b>	Improper Payments Information Act of 2002
<b>IPP</b>	Invoice Processing Platform



<b>ISP</b>	Internal Service Provider
<b>ITD</b>	Information Technology Division

**J**

<b>JMMB</b>	James Madison Memorial Building
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**L**

<b>LBG</b>	AOC Library Buildings and Grounds
<b>LBSSC</b>	Legislative Branch Shared Services Center
<b>LEED</b>	Leadership in Energy and Environmental Design
<b>LOC</b>	Library of Congress

**M**

<b>MD&amp;A</b>	Management's Discussion and Analysis
<b>MOA</b>	Memoranda of Agreement

**N**

<b>NCOO</b>	Net Cost of Operations
<b>NFC</b>	National Finance Center
<b>NIST</b>	National Institute of Standards and Technology

**O**

<b>OAS</b>	Organizational Assessment Survey
<b>ODS</b>	Operational Data Store
<b>OIG</b>	Office of Inspector General
<b>OMB</b>	Office of Management and Budget
<b>OPM</b>	Office of Personnel Management
<b>OSP</b>	Office of Security Programs

**P**

<b>PALT</b>	Procurement Acquisition Lead Time
<b>PAR</b>	Performance and Accountability Report
<b>PCES</b>	Performance Communication and Evaluation System
<b>PE</b>	Professional Engineer
<b>PIC</b>	Project Information Center
<b>PL</b>	Public Law
<b>POWER</b>	Protecting Our Workers and Ensuring Reemployment (Department of Labor)
<b>PP&amp;E</b>	Property, Plant and Equipment
<b>PPM</b>	AOC Planning and Project Management

**R**

<b>RATE</b>	Responsible, Accountable, Trusted and Engaged
<b>RHOB</b>	Rayburn House Office Building
<b>RSI</b>	Required Supplementary Information
<b>RSOB</b>	Russell Senate Office Building
<b>RSS</b>	Rich Site Summary
<b>RW</b>	Reoccurring Work
<b>RWA</b>	Reimbursable Work Authorization

**S**

<b>SAM</b>	System for Award Management
<b>SAT</b>	Senior Advisory Team

<b>SBR</b>	Statement of Budgetary Resources
<b>SCBG</b>	AOC Supreme Court Building and Grounds
<b>SCNP</b>	Statement of Changes in Net Position
<b>SEIM</b>	Security Event and Information Management
<b>SFEP</b>	AOC Safety, Fire and Environmental Programs
<b>SFFAS</b>	Statement of Federal Financial Accounting Standards
<b>SHARE</b>	Safety, Health and Return-to-Employment Initiative (Department of Labor)
<b>SIEM</b>	Security Information and Event Management
<b>SITES</b>	Sustainable Sites Initiative
<b>SMC</b>	Senior Management Council
<b>SNC</b>	Statement of Net Cost
<b>SOAR</b>	Safety Observation and Reflection Process
<b>SOB</b>	AOC Senate Office Buildings
<b>SP</b>	Special Publication
<b>SSRS</b>	SQL Server Reporting Services

**T**

<b>TED</b>	Training and Employee Development
<b>TJB</b>	Thomas Jefferson Building
<b>TMFJB</b>	Thurgood Marshall Federal Judiciary Building
<b>TSP</b>	Thrift Savings Plan
<b>Treasury</b>	Department of Treasury

**U**

<b>UDO</b>	Undelivered Orders
<b>UESC</b>	Utility Energy Services Contract
<b>USBG</b>	United States Botanic Garden
<b>USC</b>	United States Code
<b>USCP</b>	United States Capitol Police
<b>USSGL</b>	United States Standard General Ledger

**Y**

<b>YTD</b>	Year-to-Date
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## Appendix G: Acknowledgements

This *Performance and Accountability Report* was produced with the energies and talents of AOC staff. To these dedicated individuals, we offer our sincerest thanks and acknowledgement.

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During FY 2014, AOC's Capitol Visitor Center offered a number of educational activities related to the 200th anniversary of the burning of the U.S. Capitol. An ink and watercolor drawing by George Munger features a southeast view of the fire-damaged building in August 1814.

### We Welcome Your Comments

Thank you for your interest in the Architect of the Capitol and its Fiscal Year 2014 *Performance and Accountability Report*. Copies of this report are available through AOC's website: [www.aoc.gov/performance-accountability-report](http://www.aoc.gov/performance-accountability-report) or by scanning the QR Code to the right.

Suggestions or comments on how we can make this report more informative may be directed to AOC by phone (202.226.2552) or e-mail ([aocpar@aoc.gov](mailto:aocpar@aoc.gov)). Comments may also be submitted to:

Architect of the Capitol (ATTN: AOC Chief Financial Officer – PAR)  
Ford House Office Building, Room H2-205  
2nd & D Street, SW  
Washington, D.C. 20024



### Capitol Tours

Capitol tours are free and may be booked in advance online at: [www.visitthecapitol.gov](http://www.visitthecapitol.gov).

Tours may also be booked through the offices of your Senators or Representative or through the Office of Visitor Services by calling 202.226.8000.





United States Capitol • Washington, DC 20515

[www.aoc.gov](http://www.aoc.gov)